

NOVEMBER 2019



COASTAL MISSISSIPPI INVESTMENT OPPORTUNITIES ANALYSIS

GULF COAST BUSINESS COUNCIL AND
GULF COAST COMMUNITY FOUNDATION

ACKNOWLEDGMENTS

TIP would like to thank the following individuals and organizations for their participation in this planning process, along with the hundreds of business leaders, community leaders, young professionals, and other key stakeholders from Hancock, Harrison, and Jackson Counties who participated in this project.

Anthony Wilson, Chairman, President and CEO
Mississippi Power

Ashley Edwards, President and CEO
Gulf Coast Business Council

Rodger Wilder, President
Gulf Coast Community Foundation

Milton Segarra, CEO
Coastal Mississippi

Paul Gavin, Executive Director
Gulf Regional Planning Commission

Dr. Shannon Campbell, Director
University of Southern Mississippi

Dr. Monty Graham, Director
University of Southern Mississippi

Dr. Mary Graham, President
Mississippi Gulf Coast Community College

Roy Anderson III, Chairman and CEO
AnderCorp

Ron Barnes, President and CEO
Coast Electric Power Association

Lee Bond, CEO
Singing River Health System

Chris Cavote, Refinery General Manager
Chevron Products Company

Brian Cuccias, Executive Vice President
Ingalls Shipbuilding

Duncan McKenzie, Vice President and General Manager
Boyd Gaming—IP Casino Resort Spa

Kent Nicaud, President and CEO
Memorial Hospital at Gulfport

Jerry St. Pe', President
St. Pe' & Associates, LLC

Chevis Swetman, Chairman, President, and CEO
The Peoples Bank

William Yates III, President and CEO
W.G. Yates and Sons Construction Company

Ben Hunter, Vice President of Investor Relations
Gulf Coast Business Council

TIP
strategies



TIP Strategies, Inc., is a privately held economic development consulting firm with offices in Austin and Seattle. TIP is committed to providing quality solutions for public sector and private sector clients. Established in 1995, the firm's primary focus is economic development strategic planning.

CONTACT

TIP Strategies
2905 San Gabriel Street, Suite 309
Austin, TX 78705
PH: 512-343-9113
FAX: 512-343-9190
www.tipstrategies.com

CONSULTING TEAM

Jon Roberts
Managing Principal
John Karras
Senior Consultant
Jaclyn Le
Consultant

CONTENTS

INTRODUCTION	1
ECONOMIC CONTEXT	2
1. STRUGGLING TO RECOVER FROM PAST ECONOMIC SHOCKS	3
2. RELYING ON A VULNERABLE ECONOMIC BASE	4
3. LOSING THE NATIONAL COMPETITION TO ATTRACT TALENT	6
INVESTMENT FRAMEWORK FOR ATTRACTING TALENT AND CAPITAL	8
GUIDING PRINCIPLES: A VISION FOR COASTAL MISSISSIPPI	9
FRAMEWORK: THREE PILLARS OF OPPORTUNITY	10
PRIORITY INVESTMENTS	14
PRIORITY ONE: TELECOMMUNICATIONS INFRASTRUCTURE	15
PRIORITY TWO: DOWNTOWN MIXED-USE DEVELOPMENT	17
PRIORITY THREE: THE INNOVATION ECONOMY	20
ORGANIZATIONAL STRUCTURE	24
PERFORMANCE METRICS	26
APPENDIX A. SWOT ANALYSIS	27
STRENGTHS	28
WEAKNESSES	29
OPPORTUNITIES	30
THREATS	31
APPENDIX B. TARGET INDUSTRY ANALYSIS	32
INTRODUCTION	32
AIR AND SPACE	38
BLUE ECONOMY	41
DESTINATION LANDSCAPES	44
ANCHOR INSTITUTIONS	47
APPENDIX C. COMMUNITY INPUT	50
INTRODUCTION	50
STAKEHOLDER INPUT SURVEY	50
COUNTY WORKSHOPS MENTIMETER RESULTS	51
GCBC GENERAL MEMBER MEETING MENTIMETER RESULTS	60

INTRODUCTION

There is a strong temptation to assume that what has worked in the past will continue to work. Instead of preparing for a new and often confusing economy, why not double down on the mainstays of industry along Coastal Mississippi? Won't oil and shipbuilding still be crucial to national defense? Won't people continue to flock to our casino resorts? Won't our military installations be supported by future administrations?

The challenge for Coastal Mississippi, and for any investment strategy that looks beyond the current economic cycle, is that industry and the labor market have been undergoing radical change. That change is driven primarily by rapid increases in productivity, increases that decouple corporate growth from employment growth. What this means is that even if the current industry mix were sustainable, employment will continue to drop. Companies are doing more with fewer people. In addition, the skill sets required of workers is on a steady upswing. According to the Institute for the Future think tank, 85 percent of the jobs that will exist in 2030 have not been invented yet.

Therefore, even if the industry base in the region were still the same in 2030 or 2035, the workforce needed by those industries will not be. This is a near certainty. The disconnect between the *business case* for a more forward-looking economic model and the methods used in traditional economic development is profound.

The investment strategy outlined in this analysis is driven by the same business case being made across the country. More skilled workers. More appreciation of why quality of place matters. More commitment to the innovation economy. The strength of existing industry sectors will be driven by this mix of talent, place, and innovation. It will also drive new and emerging businesses.

It is likely that casinos, military installations, oil and gas industries, and shipbuilding will remain concentrated along the Coast. These sectors, however, will continue to undergo profound change. That change makes a case for new investments that are responsive to new economic realities. Even if the existing industry base can be retained, there is no guarantee the region will remain competitive. A more vibrant economy requires a strengthening of current industry along with an aggressive approach to new business formation, whether through relocation of companies to Coastal Mississippi or through entrepreneurial innovation in the region.

The outlook is rapidly becoming dire. What is good enough now will not remain so. The reality of economic development is that it is largely a zero-sum game. Mississippi's growth, like the surrounding states of Alabama, Louisiana, Texas, or Florida, is predicated on winning the battle for talent and industry. Cities like Austin, Atlanta, Huntsville, and Pensacola are every bit as hungry for talented workers—and emerging businesses—as are Gulfport and Biloxi—perhaps more so.

Fortunately, the region has an unprecedented opportunity to invest in projects that can buttress the existing economy and help build a foundation for future growth. This analysis seeks to establish a common framework for success, first by establishing what a competitive economy looks like and then building consensus around which investments will ensure that competitiveness for Coastal Mississippi. Among our guiding principles—reinforced by the legislation governing the use of the funds—are the following.

- Change is essential. The current economic model is not sustainable.
- A regional approach, with projects that benefit all the Coastal Mississippi counties, is imperative.
- The BP oil spill settlement funds are best seen as *investment opportunities* that leverage additional monies, public and private, to attract new talent and capital into the region.

ECONOMIC CONTEXT

Before identifying priority investments and opportunities for Coastal Mississippi, TIP needed to understand the historical and economic context of the region. To do this, the TIP research team collected and analyzed a wide range of data on the six-county Coastal Mississippi region including George, Hancock, Harrison, Jackson, Pearl River, and Stone counties; the state; and the nation.

Over the past 15 years, the Coastal Mississippi has suffered from multiple severe setbacks: Hurricane Katrina, the Great Recession, and the BP oil spill. In many ways, the region has not fully recovered from these shocks. This delayed recovery was exacerbated by fundamental shifts in the economy that are changing the ways in which people work, where they live, and how companies attract and retain workers. Past approaches to economic development, along with strategies to attract workers, are no longer adequate. Technological innovation, skilled workers, and vibrant communities now drive success.

TIP's assessment and understanding of the region's economic context set the foundation for the recommendations. If the data highlight the challenges the region has faced, then the opportunities afforded by the BP settlement funds can help power the solutions. Findings from our assessment have been distilled into three areas.

- 1. STRUGGLING TO RECOVER FROM PAST ECONOMIC SHOCKS.** Coastal Mississippi is still struggling to recover from three major events—Hurricane Katrina, the Great Recession, and the BP oil spill—that stressed the region's economy between 2005 and 2010. While predicting weather events remains difficult, the likelihood of future severe storms must be taken into consideration. Similarly, the region must be better positioned for economic upheaval in ways that would allow it to recover more quickly.
- 2. RELYING ON A VULNERABLE ECONOMIC BASE.** The region has depended on federal spending (military and military contract related) and tourism for decades. High-skill industries, from technology-based companies to professional services, have not yet gained traction. The region needs to cultivate a more resilient, diverse, and tech-oriented economy in order to achieve long-term prosperity.
- 3. LOSING THE NATIONAL COMPETITION TO ATTRACT TALENT.** Coastal Mississippi is not currently a competitive destination for talent. Technology workers, entrepreneurs, and other skilled individuals are moving away from Mississippi and choosing to live in other regions. Cities like Nashville, Austin, and Atlanta might be the most publicized beneficiaries of this outward migration; but smaller metros that bear remarkable similarities to Coastal Mississippi—places like Huntsville, Pensacola, Asheville, Chattanooga, and Baton Rouge—are also winning the competition for talent.

1. STRUGGLING TO RECOVER FROM PAST ECONOMIC SHOCKS

Coastal Mississippi is still struggling to recover from three major events—Hurricane Katrina, the Great Recession, and the BP oil spill.

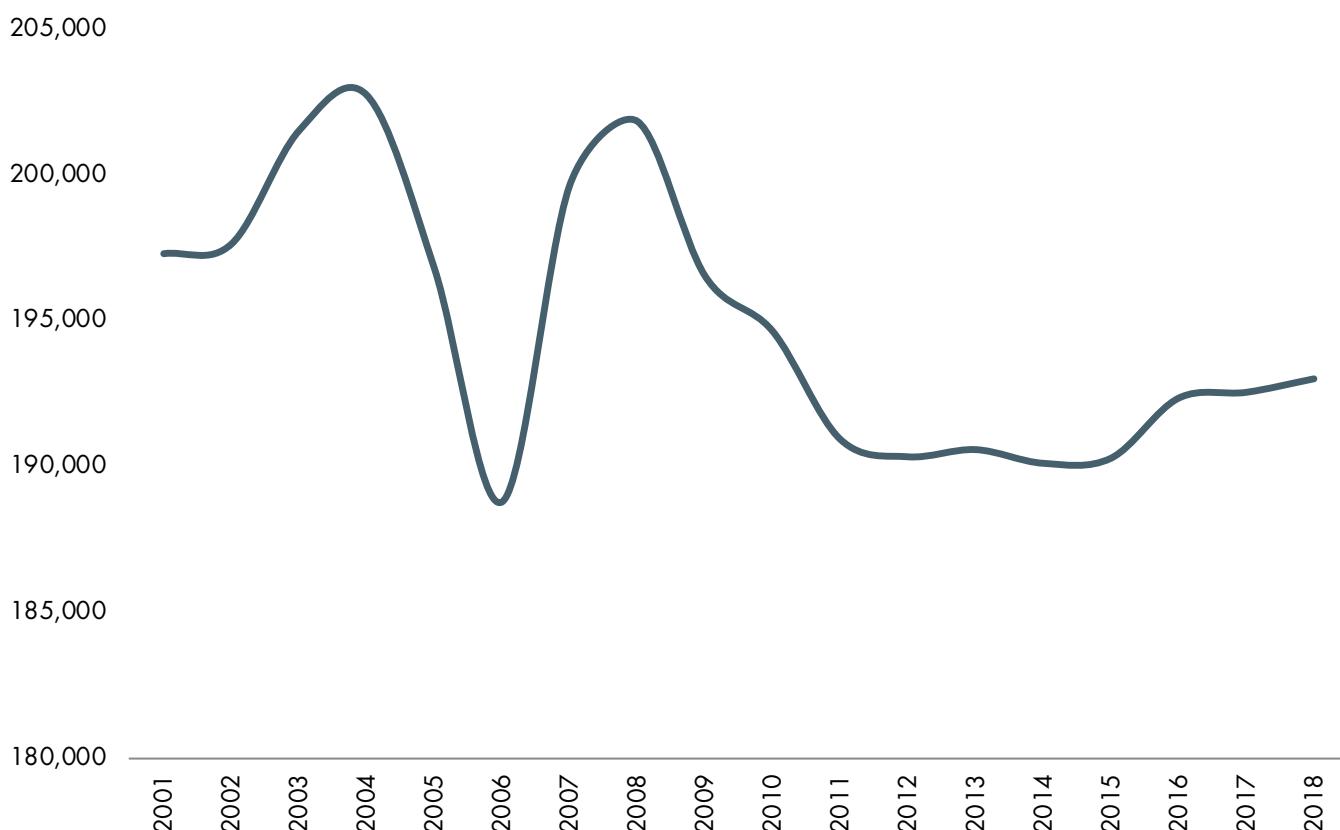
No other region in the US suffered greater economic disruption from 2005 to 2010 than Coastal Mississippi.

In August 2005, Hurricane Katrina devastated the region's landscape, its economy, and its population. In a matter of months, Katrina wiped away more than 20,000 jobs from Coastal Mississippi. It remains one of the most destructive natural disasters in the history of the US, with more than \$166 billion in property damage.

This storm was followed by the Great Recession, which caused widespread economic hardship in every corner of the US, including the Gulf Coast. When the recession began in December 2007, Coastal Mississippi was still recovering from Katrina. What followed was another wave of job losses and business downturns. The recession lasted until June 2009 (according to gross domestic product growth as measured by the National Bureau of Economic Research). Total employment continued to decline until February 2010, when the US economy began to gain jobs as part of the recovery.

Then, just as the US economy was beginning to recover from the longest and deepest recession since the 1930s, Coastal Mississippi suffered what is considered to be the largest maritime oil spill in history. The BP oil spill, which began in April 2010, caused yet another period of economic suffering along the coastal counties of Mississippi. As a result of the oil spill, thousands of jobs were lost in the Gulfport-Biloxi metro area between 2010 and 2012. The region has not recovered from the compounding effects of these disasters. Current employment levels are still below those of 2001.

FIGURE 1. COASTAL MISSISSIPPI EMPLOYMENT



Source: Economic Modeling Specialists International (Emsi) 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed.

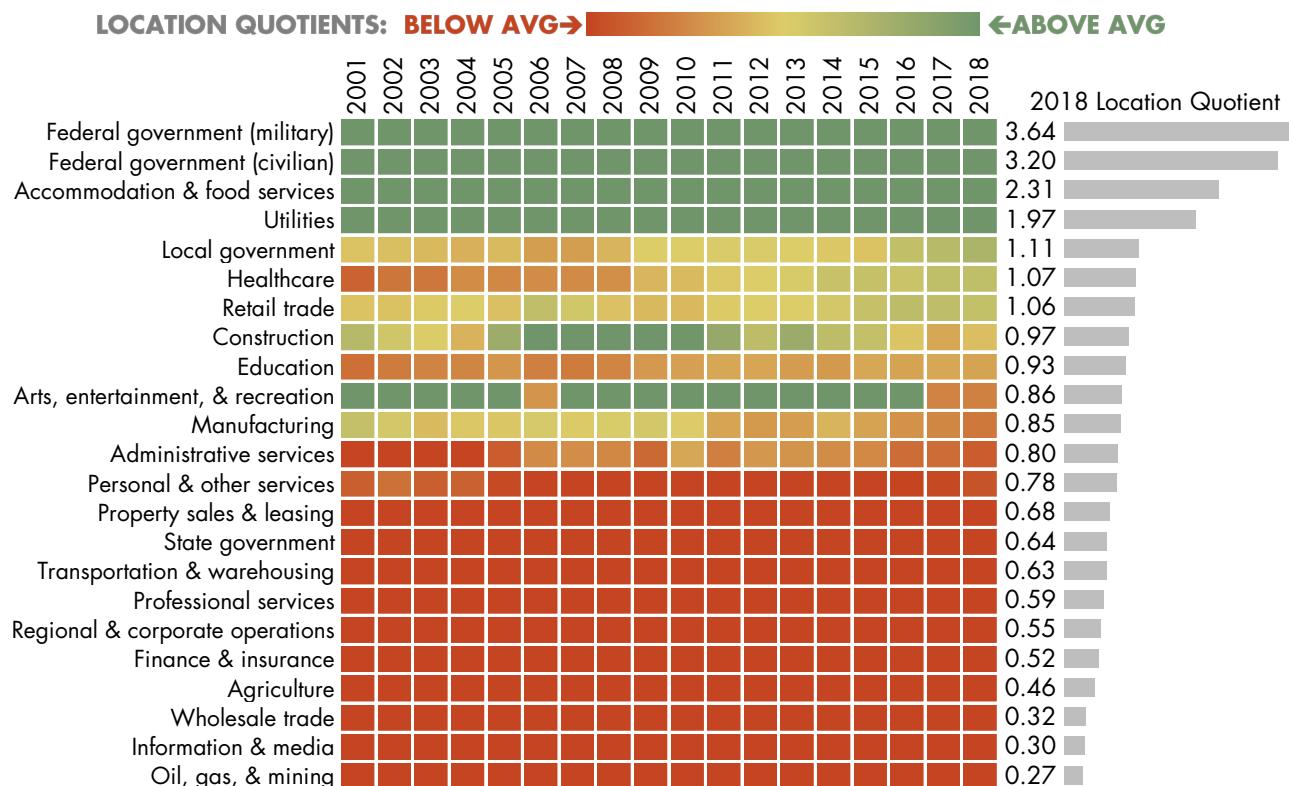
2. RELYING ON A VULNERABLE ECONOMIC BASE

The region has depended on federal spending (military and military contract related) and tourism for decades. High-skill industries, from technology-based companies to professional services, have failed to gain traction.

Figure 2 depicts the region's economy using location quotients (LQs). LQs are ratios that show a regional economy's strengths and weaknesses compared to the US. The LQs in Figure 2 measure the Coastal Mississippi employment base to that of the US economy. If the local industry and national industry are perfectly proportional, the LQ will be 1.00. LQs greater than 1.25 reveal a comparative advantage; those below 0.75 suggest areas of weakness, though they might also point to opportunities for expansion or attraction. The primary drivers of the region's economy have not changed in the past two decades. Federal government (military and civilian) facilities and tourism (accommodation & food services) remain highly concentrated in the region. High-wage, high-skill industries, such as professional services, corporate HQs, finance & insurance, and information & media, are underrepresented.

Meanwhile, the region faces an uncertain future filled with potential disruptive forces. These include the environment (the likelihood of severe storms and flood events along with coastal zone degradation) and economic forces (automation, consolidation, and restructuring of existing industries). While these disruptions cannot be predicted with certainty, they are entirely likely, and their effects will be wide-ranging. The region's best options will not be easy to realize. Fundamental changes to the economic base are not accomplished in a short time frame. The path forward, however, is clear. A more sustainable, resilient economy is one that plans for environmental challenges and is built on a more highly educated workforce that supports high-wage sectors with demand for those workers.

FIGURE 2. COASTAL MISSISSIPPI HISTORICAL SECTOR CONCENTRATION
CONCENTRATION OF EMPLOYMENT BY SECTOR AS SHOWN BY LOCATION QUOTIENTS (LQs)



Source: Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: Public sector employment in education (e.g., public schools, colleges, and universities), healthcare, and the US Postal Service are included with applicable private sector industry totals rather than government.

While federal government facilities and tourism brought prosperity to the region in past decades, the economy is changing in ways that makes these sectors, and therefore Coastal Mississippi's economy, vulnerable to technological, political, and economic change. The tourism sector, driven mainly by the gaming industry, adds value to the Coast by attracting many tourists to the area. Casinos, however, tend to attract a narrow demographic of visitors. This demographic does not typically include millennials or professional workers. It is not that gaming is at odds with a more technology-oriented economy, but gaming does not support technology to the same degree that professional services or advanced manufacturing do. In addition, the tourism market has matured to the point that adding more casino resorts to the region would only have marginal economic benefit.

As shown in Figure 2, the Coastal Mississippi's economy is powered by a heavy concentration of government-funded industries including the US Navy and the US Air Force (Keesler Air Force Base). Many of the region's largest companies rely on government contracts and provide goods and services to the region's military installations. These sectors are especially vulnerable to changes in federal government's defense spending but are also influenced by increased industrial automation.

While political uncertainty makes it difficult to predict future government contracts, a focus on productivity and innovation is of growing significance. As noted earlier, manufacturers in Mississippi employ fewer people today than in the early 2000s, yet their profitability increased in the same time period. Figure 3 and Figure 4 demonstrate that despite a trend of declining employment in the state's manufacturing sector, the value of manufacturing shipments increased over time. If companies can continue to be profitable with fewer employees, then Coastal Mississippi needs to attract industries more resilient to disruptive technological change.

FIGURE 3. MISSISSIPPI MANUFACTURING PRODUCTION EMPLOYMENT, 2002-2016
IN THOUSANDS

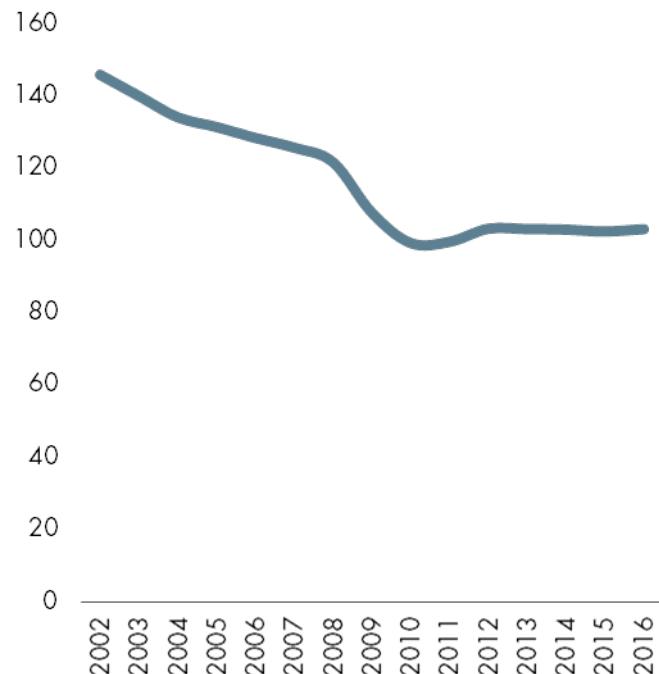


FIGURE 4. MISSISSIPPI MANUFACTURING PRODUCTION VALUE, 2002-2016
MANUFACTURING SHIPMENTS IN \$ BILLIONS



Sources: US Census Bureau, Economic Census (various years) and Annual Survey of Manufactures (various years); US Bureau of Labor Statistics.
Note: (Figure 4) Values are inflation adjusted based on the producer price index (PPI) all-manufacturing series.

3. LOSING THE NATIONAL COMPETITION TO ATTRACT TALENT

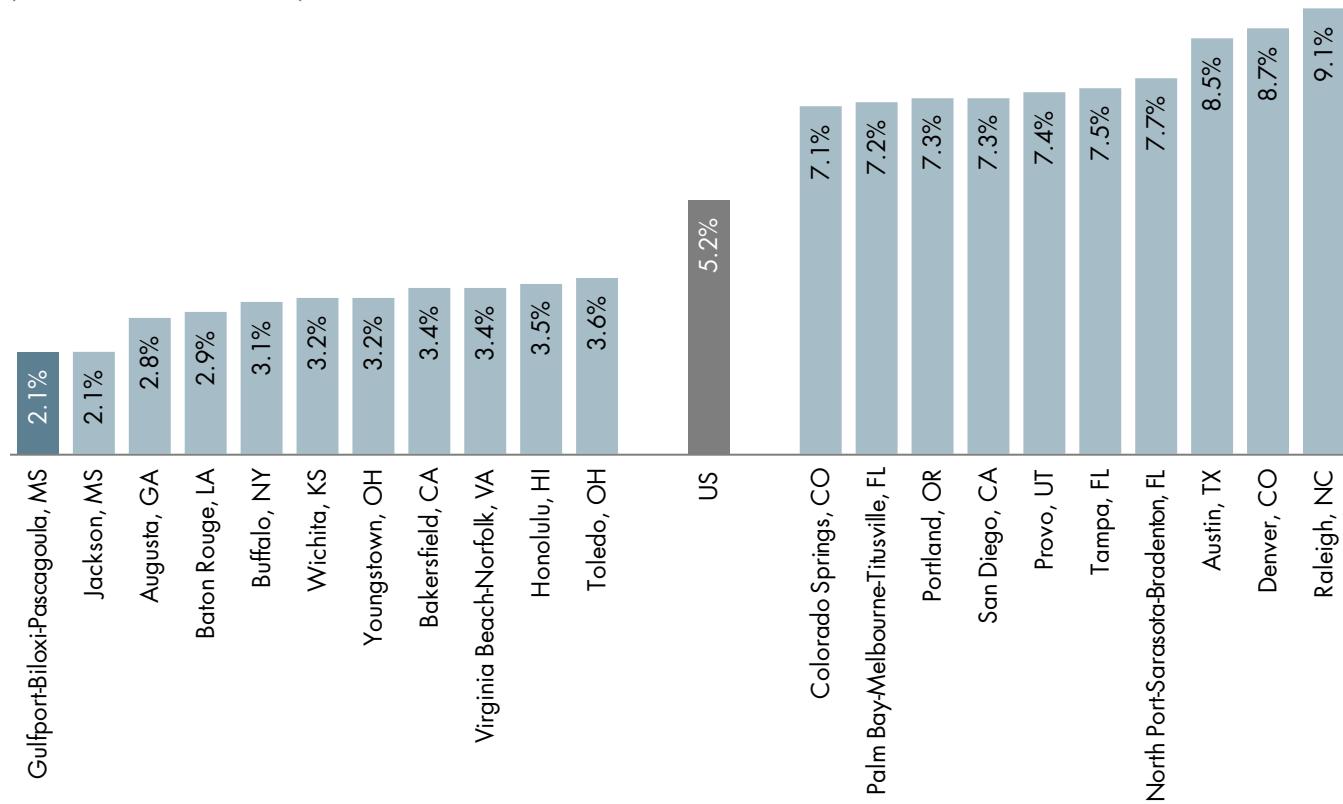
Coastal Mississippi is not currently a competitive destination for talent. Technology workers, entrepreneurs, and other skilled individuals are moving away from Mississippi.

Prior to the Great Recession, the movement of talent was driven almost exclusively by company location decisions. A new manufacturing plant opened, and workers followed to fill the jobs. While natural resources—particularly oil and gas—still draw people, the relationship between companies and workers has been altered. Instead of making corporate location decisions based exclusively on business factors (market access, resource availability, infrastructure, taxes, and regulations), companies now make location decisions based on access to available (or trainable) workers. This trend was first seen in automotive manufacturing (Toyota in Tupelo drawing workers from the Memphis area) and aerospace manufacturing (Boeing in Charleston). More recently, it's been seen with tech firms (Amazon in Crystal City and Apple in Austin) and finance (AllianceBernstein in Nashville).

The national (and global) labor market is in the early stages of another shift: the emergence of a distributed workforce of remote workers. The share of remote workers in the US labor market has grown from about 3 percent in 2000 to more than 5 percent in 2017. In some major metros—Austin, Denver, and Raleigh—remote workers make up nearly 10 percent of the labor pool. In a few smaller metros—Boulder, Bend, and Asheville—remote workers account for more than 10 percent of the regional workforce. Perhaps most relevant to Coastal Mississippi is the fact that many Florida metros—from Naples to North Port and Tampa to Pensacola—contain among the highest shares of remote workers, proving that coastal areas along the Gulf of Mexico can successfully compete for talent.

FIGURE 5. PERCENT OF EMPLOYED PEOPLE WORKING REMOTELY, 2017

GULFPORT-BILOXI-PASCAGOULA METRO AREA IN CONTEXT OF TOP 10 AND BOTTOM 10 METRO AREAS (AMONG 100 LARGEST) RANKED BY SHARE OF REMOTE WORKERS



Source: US Census Bureau, American Community Survey, 1-year average, 2017.

Why are remote workers important? In an economy that increasingly allows people to work anywhere, the places they choose to work is an indication of what they view as thriving communities. The number of remote workers in an area can be viewed as a proxy for quality of place. Remote workers choose where they live, not based on their corporate headquarters, but instead on attractions and amenities that allow them to thrive beyond work.

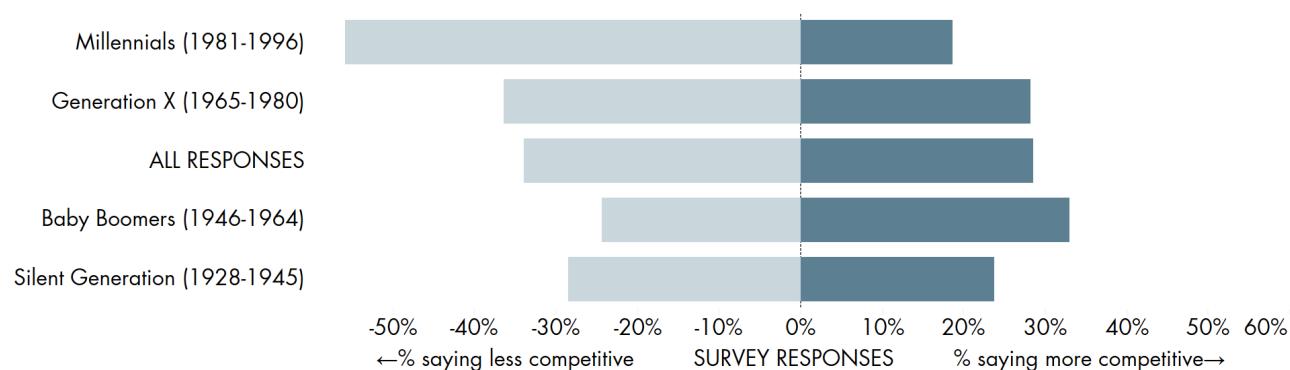
Alongside Jackson, the region ranks at the bottom of the list of the 100 largest metros in the US by share of remote workers. The region must overcome this challenge and become a location of choice for the rapidly growing pool of tech workers, entrepreneurs, freelancers, and other skilled workers who can live and work anywhere.

Furthermore, there is a difference in perception of the Coastal Mississippi's competitiveness across different generations. While baby boomers (born between 1946 and 1964) are more likely to believe that the Coast is a competitive region, millennials (born between 1981 and 1996) overwhelmingly believe that the region is not. This disconnect in views is concerning, as those who comprise the largest portion of the workforce are less likely to see Coastal Mississippi as an economically competitive region.

Coastal Mississippi is losing this national competition for attracting skilled workers and young professionals.

FIGURE 6. VIEWS ON COASTAL MISSISSIPPI'S COMPETITIVENESS BY AGE

SHARE OF TOTAL RESPONSES SELECTING HIGHLY COMPETITIVE/ABOVE AVERAGE (SHOWN AS A POSITIVE) AND BELOW AVERAGE/NOT COMPETITIVE (SHOWN AS A NEGATIVE).*



*The balance of responses for the midpoint (average) value is not shown.

Source: Survey results compiled by TIP Strategies.

Note: Cohorts with fewer than 10 responses not shown.

INVESTMENT FRAMEWORK FOR ATTRACTING TALENT AND CAPITAL

An effective economic development strategy is a call to action. Properly crafted, such a strategy can galvanize companies and inspire community leaders. But that is not enough; it must also speak to the community at large.

Extensive data analysis and thorough stakeholder input—including a regionwide survey (see Appendix C for results), three public workshops in each of the three coastal counties, and roundtable conversations with young professionals and other key stakeholders—confirmed what has been recognized by the leadership of the region for some time: ***a major economic transformation is overdue.***

The BP oil spill legislation represents a once-in-a-generation opportunity to craft a sustainable economic future, one that enhances prosperity and ensures resiliency. To fully leverage this opportunity, the investments made with the BP settlement funds must be intentional. That is, the investments must be driven by a set of guiding principles that define economic development across the three southernmost Coastal Mississippi counties.

The purpose of an investment framework is to ensure a common vision for economic prosperity, provide guidance for consideration of funding requests, and leverage the settlement funds to provide a greater return on investment for Coastal Mississippi. Additionally, the funds should be allocated equally among each of the three pillars. Special consideration will be given to projects that cut across two or more pillars. The five guiding principles further determine whether a particular project is advanced for funding. Investments addressing multiple guiding principles will be prioritized.

FIGURE 7. ECONOMIC DEVELOPMENT INVESTMENT FRAMEWORK



Note: For this investment framework, the objectives of the BP oil spill settlement legislation (Senate Bill 2002) are summarized in five guiding principles.

GUIDING PRINCIPLES: A VISION FOR COASTAL MISSISSIPPI

Guiding principles reflect the values of the region and its aspirations for the future. In the context of a regional economic development strategy, they are a set of statements expressing how the region defines economic vitality. It is the intention of the legislation that the BP settlement funds be used for significant opportunities that catalyze economic growth, transform communities into thriving places to live, and attract additional investment to the region. The funds are not earmarked for ongoing maintenance and operations. This plan reflects that intent.

The BP oil spill settlement legislation (Senate Bill 2002) includes a set of 15 statements that specify how applications for funding assistance from the Gulf Coast Restoration Fund are prioritized. These objectives are summarized from Section 8(3) of the legislation.

- a.** affect long-term competitiveness, positive impact on tax base, private sector job creation, and private sector investment;
- b.** demonstrate maximum long-term economic benefits and growth potential based on return on investment (ROI) analysis;
- c.** demonstrate long-term financial sustainability, clear metrics;
- d.** leverage other funding sources;
- e.** supported by multiple entities;
- f.** move efficiently to design, engineering, and permitting phase;
- g.** enhance the quality of life/place and business environment, including tourism and recreation;
- h.** attract or establish high-growth industries;
- i.** leverage assets, including educational/research facilities, ports, airports, rail, military bases;
- j.** transformational;
- k.** enhance the marketability of existing industrial properties;
- l.** enhance a targeted industry cluster; or a Center of Excellence;
- m.** create infrastructure for business retention and development;
- n.** enhance research and innovative technologies; and
- o.** provide clear metrics.

These 15 objectives provide a framework for evaluating investment opportunities and collectively they express how Coastal Mississippi defines economic development. The essence of these statements from the legislation is distilled into the following five guiding principles.

- **ECONOMIC COMPETITIVENESS:** Enhance and diversify the region's workforce and companies. Increase the region's ability to compete with other regions in the Southern US (and beyond) for investment, jobs, skilled workers, and visitors.
- **QUALITY OF PLACE:** Transform the character and livability of the region by enhancing downtowns and significant transportation corridors and incentivize development across the region.
- **REGIONAL COLLABORATION:** Align regional community and business leaders to make investments, launch initiatives, and pursue projects that collectively benefit every Coastal Mississippi community.

- **INNOVATION:** Attract targeted investments in research and development (R&D) for existing businesses and those with an interest in Coastal Mississippi. Focus on information technology (IT) from a recruitment perspective and to enhance existing initiatives in the public sector and for other entities, such as military bases, educational institutions, and manufacturing firms.
- **RESILIENT INFRASTRUCTURE:** Strengthen Coastal Mississippi's physical, digital, capital, and business infrastructure to withstand climate shocks and economic disruptions.

These guiding principles are designed to serve as crosscutting themes and reference points for specific opportunities as they arise. Each principle is forward looking and helps point the region toward sustainable growth and long-term vitality. The guiding principles will ensure that investments and programs provide tangible benefits for the communities of Coastal Mississippi. For the opportunities to genuinely reflect the aspirations of the region, every opportunity must be directly linked to at least one guiding principle.

FRAMEWORK: THREE PILLARS OF OPPORTUNITY

The investment framework is built on three verticals or pillars of economic opportunity that capture the types of investments that can move the region's economy forward over the next 15 years.

- **FOUNDATIONAL:** These include major physical infrastructure investments and related projects that enhance the region's economic competitiveness and make it a more attractive destination for matching investment capital, business growth, and skilled workers.
- **CORE ECONOMIC DEVELOPMENT:** These include a core set of economic development activities focused on target industry recruitment, business retention and expansion, and marketing efforts aimed at companies and workers.
- **TRANSFORMATIONAL:** These include a range of high-impact projects that hold the potential for transforming the region's economy and raising its economic standing nationally. Many of these opportunities can be best evaluated on a longer-term basis. Though they might be multiyear initiatives, they can be expected to deliver decades of sustainable prosperity from the creation of entire new industries and major new real estate development projects.

"There is a stigma of being associated with the rest of the state. Mississippi's reputation hurts us. Coastal Mississippi is a diamond in the rough."

-Stakeholder Input Survey

FOUNDATIONAL OPPORTUNITIES

Well-functioning basic infrastructure (water, wastewater, electric, and gas utility service), transportation networks (roads, rail, air, public transportation), and digital communications channels (mobile phone service, broadband internet) are necessary for a thriving and modern economy. In addition to the region's infrastructure networks, the overall quality and resiliency of the built environment (a region's commercial districts, employment zones, corridors, downtowns, and neighborhoods) are important factors influencing economic growth.

Maintaining and improving the region's infrastructure is essential for Coastal Mississippi's economic future. However, the BP settlement funds cannot be used for ongoing maintenance of existing infrastructure. Instead, the goal of this planning effort is to identify opportunities for new, strategic investments that significantly enhance the region's economic competitiveness. Such investments could involve new technologies (such as 5G and broadband), more robust regional design and development standards, or major expansions of regionally significant assets, such

as the Gulfport-Biloxi International Airport. These *foundational opportunities* affect everyone in Coastal Mississippi in ways that make it easier to do business and attract talent.

CASE STUDY: Durango Wi-Fi
LOCATION: Durango, Colorado

Foundational investment in public Wi-Fi access in Durango, Colorado.



In 2013, the city of Durango installed optic fiber lines along its downtown Main Avenue, laying the foundation for public access to Wi-Fi along an important economic corridor. After gaining the ability to work with local telecommunications providers in 2015, the city of Durango partnered with 360Durango.com, a publishing company and advertising agency, and local provider SkyWerx Internet Services (now Visionary Broadband) to bring free public Wi-Fi to downtown Durango. The project cost \$70,000 for a total of 21 access points, which provides users with a seamless internet experience as they walk down Main Avenue.

After logging on to the network, Wi-Fi users are shown an advertisement and are then taken to a page with local coupons and events, both of which are sponsored by 360Durango.com. This content is relevant and beneficial to consumers and drives business to local companies. Within the first few months, advertising engagement was about 35 times higher than the industry standard.

Source: TIP Strategies research.

CORE ECONOMIC DEVELOPMENT OPPORTUNITIES

In recent years, there has been a tectonic shift away from the old model of economic development. Communities once focused primarily on business attraction (smokestack chasing as many long-time economic developers have described it). The current approach to economic development focuses on supporting the growth of existing employers, building a pipeline of skilled workers, and creating a robust environment for business growth. Each of these new focus areas is important; nonetheless, business recruitment must remain a priority for successful economic development in the traditionally competitive environment of the South.

The identification of target industries is a good starting point, but the list of industries matters far less than what a region does to actually target an industry. Strategies encompass marketing and recruitment initiatives, incentives and policies to support growth, specific real estate development projects, and talent initiatives.

Coastal Mississippi's economy is built on four industry clusters (further detailed in the Target Industry Analysis, Appendix B), each with its own growth potential.



AIR AND
SPACE



BLUE
ECONOMY



DESTINATION
LANDSCAPES



ANCHOR
INSTITUTIONS

Each of these clusters contains opportunities for new investment and business development through a range of recruitment efforts, entrepreneurial programs, talent initiatives, and visitor attraction strategies. The retention and expansion of existing employers in these clusters is vital for economic success. To further strengthen these clusters, the recruitment of additional companies within the supply chain must be prioritized. Sustainable growth will come from diversifying the region's economy with new upstream innovation within existing sectors and in new sectors where the region has competitive advantages. The success of Coastal Mississippi's cluster development efforts will depend increasingly on a more robust talent pool to support existing and new industries.

CASE STUDY: Make It. MSP.

LOCATION: Minneapolis–Saint Paul, Minnesota

Talent attraction initiative in the Twin Cities.



Make It. MSP is Greater Minneapolis–Saint Paul's (MSP) talent initiative that was developed and launched in 2015. The initiative is focused on three target talent groups: MSP newcomers, professionals of color, and tech workers. The initiative is organized by four teams that focus on welcoming newcomers to the area, increasing the tech talent pool through attraction and retention efforts, creating a culturally inclusive community, and connecting interns and recent graduates with professional opportunities throughout the region.

Between 2015 and 2019, the number of 25–34 year olds moving to the region increased by 265 percent (from 2,150 to 7,837). Further, 2019 is the second consecutive year where the region had a net gain of more than 7,500 millennials. Prior years saw increases of 1,000 to 3,000 people in this demographic.

Source: TIP Strategies research.

TRANSFORMATIONAL OPPORTUNITIES

The foundational opportunities include infrastructure investments that enhance the region's economic competitiveness, making Coastal Mississippi a more attractive destination and more resilient. The traditional economic development opportunities encompass a range of activities that position the region for new growth within target industries. But these two categories alone will not *transform* the region's economy.

Transformational opportunities include high-impact projects that hold the potential for changing the underpinnings of the region's economy and raising its economic standing within the South and the nation. Most of these opportunities are long-term plays, but once they gain traction, they can deliver decades of sustainable prosperity from the creation of entire new industries and development opportunities.

Coastal Mississippi's economy needs dramatic positive change. The region cannot do business the way it has always done. A continuation of past practices will lead to further economic stagnation, a continued erosion of core industry strengths, loss of jobs and skilled workers, and greater risk of future economic shocks. Transformational projects have catalyzed long-term economic growth in other regions.

In many respects, the NASA John C. Stennis Space Center in Hancock County is an example of a transformative strategy. It should, however, be seen as a work in progress. The current proposal (November 2019) before the US Congress—the Licensing Innovations and Future Technologies in Space (LIFTS) Act—is an example of how Stennis can be further expanded and should be strongly supported.

CASE STUDY: The Collider

LOCATION: Asheville, North Carolina

Climate innovation cluster and strategies in Asheville, North Carolina.



In 2015, the National Oceanic and Atmospheric Administration (NOAA) consolidated three federal climate data centers to create the National Centers for Environmental Information (NCEI) in Asheville (aptly nicknamed Climate City). The following year, The Collider opened adjacent to NCEI headquarters. Located in downtown Asheville, The Collider fosters the growth of climate data technology firms and startups, while attracting and retaining the skilled workforce needed to support them.

Occupying 6,000 square feet within the Callen Center, The Collider offers unique access to NCEI data and scientists, facilitating valuable coworking opportunities. The offices have high-speed broadband access and videoconferencing capabilities, host networking events and other relevant programming, and provide certification opportunities for climate data professionals. Expanding on its unique position, The Collider held its first cross-industry conference with luminaries Katharine Wilkinson and Bill Nye in 2019. The conference included a hackathon, a business conference within the larger expo, and many talks open to the public. In September 2019, a one-day training on US Climate Resilience Toolkit was held for professionals.

The Collider aligns public, private, nonprofit, and academic initiatives related to climate science innovation locally and nationally. It ensures the long-term competitiveness of the region through private sector job creation, investment, and cross-sector collaboration. The Collider has the potential to become a global resource for climate change management and business.

Source: TIP Strategies research.

PRIORITY INVESTMENTS

While an investment framework is indispensable, it is best realized by looking at specific opportunities. These opportunities are informed by what other regions have accomplished and by a candid assessment of local needs. What follows are examples of the priority investment areas identified by the Gulf Coast Business Council (GCBC), participants of the county workshops and focus groups, and the consulting team. These areas—telecommunications infrastructure, downtown mixed-use development, and the innovation economy—can be regarded as *priorities* because they would receive preference in funding decisions.

The preference for these three categories is not meant to exclude other proposals. Ideas that fall within the broader investment framework will continue to qualify for consideration.

These priorities seek to address where the greatest regional impact will occur and where there is the most realistic approach to addressing long-term competitiveness. The examples given within each of the priorities are specifically chosen because they will cut across each of the pillars and guiding principles. The following investments will make the most difference to Coastal Mississippi.

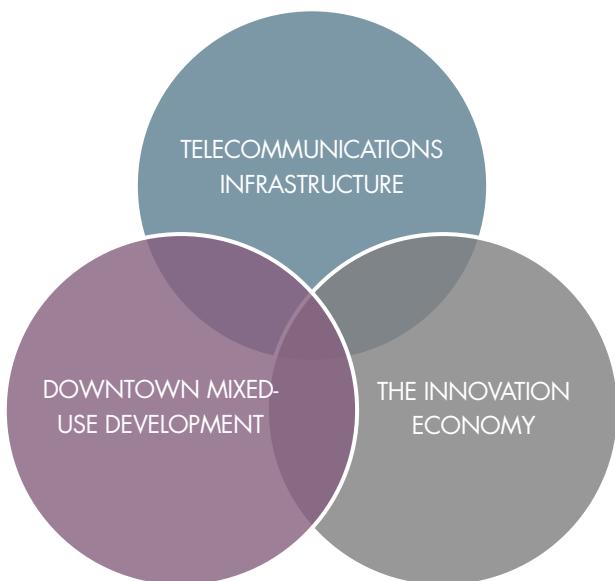
Additional projects are expected to be advanced for consideration. The Target Industry Analysis (Appendix B) identifies the following sectors.

- Air and space
- Blue economy
- Destination landscapes
- Anchor institutions (healthcare and education)

"We need to really embrace the coastal area as one market."

-Stakeholder Input Survey

FIGURE 8. PRIORITY INVESTMENT AREAS



PRIORITY ONE: TELECOMMUNICATIONS INFRASTRUCTURE

Broadband access, from a fiber and a wireless perspective, is essential to a competitive economy. Reliable telecommunications infrastructure can be viewed as necessary for participation in the new economy. It is vital to businesses; to military installations; and to remote workers, entrepreneurs, and individuals working in the region. Coastal Mississippi residents understand this need. When TIP asked stakeholders which opportunities were most exciting for regional investment during the three county workshops in August 2019 and during the GCBC General Member meeting in October 2019, participants expressed their desire for better broadband, internet, and 5G infrastructure.

A necessary first step is a shared understanding of what is—and is not—available. To this end, a regionwide assessment of broadband capacity is a first step. This assessment should consider existing assets and the ability of users to easily and affordably tap into that infrastructure. Second, the region must be aggressive in pursuing partnership agreements with telecom and cable service providers to ensure that 5G mobile networks are available in every population center of the three counties.

INVESTMENT EXAMPLES

- **REGIONAL BROADBAND AUDIT.** Conduct an audit of the region's existing and planned telecommunications infrastructure.
 - Evaluate the existing telecommunications networks, capacity, and available connections in commercial areas, downtowns, and residential developments.
 - Compare the cost differentials for customers (individuals and companies) across the region.
 - Assess the telecommunications demands of major employers.
 - Work with area broadband providers to ensure network resilience.
 - Identify additional public funding sources (such as the RESTORE Act Direct Component funds) and private funding sources that can be leveraged to enhance the region's broadband connectivity.
- **PUBLIC WI-FI.** Make public Wi-Fi available in each of the region's downtown districts.
 - Actively solicit public-private models to serve defined geographies centered on the region's downtowns and Main Street districts with high-speed Wi-Fi.
- **5G TECHNOLOGY.** Ensure that Coastal Mississippi moves rapidly toward adopting 5G mobile networks.
 - Rapidly deploy 5G technology within major population and employment centers.
 - Solicit public-private partnerships that extend 5G availability throughout the three counties.
 - Attract industries on the cutting edge of 5G-related technologies as it relates to blue technology.
 - Enhance the casino/gaming experience through deployment of 5G.
- **LOW-ORBIT SATELLITES.** Position Coastal Mississippi as a premier location for the testing, design, and development of emerging telecommunications technologies.
 - Initiate conversations with SpaceX, Blue Origin, and other commercial space tech firms to explore the potential for the Coastal Mississippi to become a testbed for low-orbit satellites that power ultra-high-speed internet service.

CASE STUDY: CHATTANOOGA, AKA GIG CITY, TENNESSEE

NAME	Chattanooga, aka Gig City
WEBSITE	chattanoogagig.com
FUNDER(S)/SPONSOR(S)	EPB, city-owned electric utility and telecommunications company
PROGRAM AFFILIATION	<p>A partial list of affiliated institutions includes the following.</p> <ul style="list-style-type: none"> • HIGHER EDUCATION: University of Tennessee at Chattanooga (UTC), Chattanooga State Community College, Tennessee College of Applied Technology (TCAT) • AREA HOSPITALS: Erlanger, Parkridge, Kindred, CHI Memorial • NONPROFITS: LAUNCH Chattanooga (LAUNCH CHA), The Company Lab (CO.LAB), The Enterprise Center (TEC) • OTHERS: River City Company, Oak Ridge National Laboratory
TIMELINE	<p>2009 EPB begins improvements on the city's electrical grid to optimize performance and accommodate smart meters on residential homes to create a smart grid for the city.</p> <p>2009 EPB received a stimulus grant of \$111 million from the Department of Energy.</p> <p>2010 Chattanooga launches nation's first citywide gigabit network.</p> <p>2015 Chattanooga announces Innovation District.</p> <p>2015 EPB's fiber network reaches speeds of 10 gigabit.</p>
BACKGROUND	<p>In the last half of the 20th century, Chattanooga was a city in decline. Shortly after the century turned, The Enterprise Center (TEC), a nonprofit public-private partnership, was created and explicitly tasked with growing a high-tech ecosystem in Chattanooga and improving its citizens' lives through technology. Despite these advancements, serious issues persisted. Many rural residents still did not have access to broadband services, and talent was fleeing the area in search of better opportunities, leaving behind a city with a dwindling workforce and an image problem. Years later, in an effort to minimize power outages and create a smart grid for the city, EPB, Chattanooga's city-owned electric utility company, began to update its electrical grid with fiber optic cables. EPB and city officials quickly realized that universal access to fiber could also slow the outflow of talent and attract businesses. Since then, TEC has prioritized research and development of the smart grid by connecting EPB and UTC with organizations from across the nation. In 2019, EPB remains the only provider to offer residential 10-gigabit internet service (\$299.99 a month). EPB's territory extends over 600 miles and includes more than 100,000 customers for its telecom services.</p>
KEY TAKEAWAY	<p>EPB is the cornerstone of Chattanooga's regional economy. Between 2011 and 2016, almost 4,000 jobs were created or maintained in Hamilton County (where Chattanooga is located) and the city has generated nearly \$1 billion as a direct result of its fiber optic network. This success extends beyond numbers. Having the fastest internet connection in the nation has indeed attracted major businesses (e.g., Volkswagen and Amazon), startups and investors, and led to the creation of an Innovation District. Traditional industries for the region dominate the new landscape but businesses in new sectors are increasing. The district lists diversity and inclusion as its top value, demonstrating the commitment to inclusive economic development.</p>

Source: TIP Strategies research.

PRIORITY TWO: DOWNTOWN MIXED-USE DEVELOPMENT

Traditional economic development has defined itself in terms of industrial parks and the physical infrastructure that supports those parks. Large “mega sites” with thousands of acres of low-cost land served by highways, rail lines, and water/wastewater infrastructure are the currency of industrial recruitment. Coastal Mississippi is not competitive with other parts of Mississippi and surrounding states for this type of economic development because it is difficult to assemble large-scale sites in a coastal/wetlands environment. This challenge translates directly into a cost per acre of industrial land in Coastal Mississippi that is several times higher than that of comparable regions across the South. While there is a continuing need for improved sites, the competitive environment for industrial parks is now closely linked to a skilled workforce. The needs of that workforce and the technology-driven supply chain of *all* manufacturing firms require a fresh perspective on what makes Coastal Mississippi a viable location for new business. Looking across the country, there is a compelling answer to the question of what makes a region successful—it is denser, amenity-rich downtowns and mixed-use districts. These often comprise a complementary network of technology-enabled business districts, each with a distinct menu of amenities, housing options, and quality public spaces.

“The lack of good housing both near the beach and off the beach is alarming.”

-Stakeholder Input Survey

Coastal Mississippi has a tremendous opportunity to become a region with not one or two, but several distinct downtown districts, each with a unique set of attributes that attracts residents, visitors, and companies. Coastal Mississippi’s two largest central business districts—downtown Gulfport and downtown Biloxi—have the highest potential for dense mixed-use development.

The downtown districts of Bay Saint Louis and Ocean Springs are the best current examples of smaller downtowns with a strong quality of place. Additional cities in the region can implement similar models of walkable, urban development in their downtowns and mixed-use districts (including tradition) to position themselves to attract high-wage workers and companies. Paradoxically, the most effective strategy to achieve that goal is to accelerate *residential* development in and around the region’s existing downtowns.

Urban residential development is the “secret” ingredient for the success of downtown Austin, Nashville, and other urban districts, which have become the destination of choice for professional and tech firm expansion and relocation projects. Smaller cities like Chattanooga, Asheville, and Pensacola have committed to expand the residential base of their downtowns and have experienced the benefits of investment by companies that prioritize urban amenities for their employees.

Successful communities understand that promoting *quality of life* is no longer sufficient. It is not enough to reinforce the values of the existing population. By contrast, *quality of place* accentuates the attributes that attract talent. Coastal Mississippi residents appreciate the economic imperative for stronger downtowns. When TIP asked participants in the three county workshops in August 2019 and during the GCBC general member meeting in October 2019 which opportunities had the greatest potential to be transformational, downtown revitalization including new business growth and residential development was chosen as a top priority.

INVESTMENT EXAMPLES

- **URBAN RESIDENTIAL.** Stimulate new high-density residential development across the region's downtowns and mixed-use areas.
 - Work with the real estate community and local governments to set specific targets for new housing units in each of the region's urban districts.
 - Reward new high-density residential development in downtown Gulfport, downtown Biloxi, and other urban districts along the Coast.
 - Solicit public-private partnerships for the redevelopment of surface parking lots and repurposing of existing buildings that are currently underutilized.
 - Reduce necessary parking (and costs) for new developments through use of shared parking agreements. Expand the use of this tool over time as new projects develop in downtown areas to create a larger pool of potential parking spaces for shared use.
- **CLASS A OFFICE AND COWORKING SPACE.** Increase the availability of commercial office space in downtown Gulfport and downtown Biloxi to help the region compete for new private sector business investment from professional services companies, technology firms, and individual remote workers.
 - Kickstart public-private partnerships in support of major office development.
 - Reward master lease agreements controlled by public sector or nonprofit entities.
 - Recruit a large institutional office user (e.g., government, medical, and education) that could serve as the anchor tenant of a new commercial office building or mixed-use development.
- **URBAN AMENITIES.** Support the development of additional entertainment, restaurants, nightlife, public spaces, and other amenities.
 - Conduct a survey of residents, employees, business owners, and visitors in Coastal Mississippi to identify the most desired retailers, restaurants, and types of entertainment options.
 - Compile a list of the most in-demand target businesses, based on the results of the survey. Identify the site selection requirements of the top 5 or 10 most desired businesses, and work with property owners and real estate developers in the region's urban districts to initiate conversations about potential expansion opportunities. Use organizations such as the International Council of Shopping Centers (ICSC) as a forum to gain access to target retail/restaurant businesses.
 - Identify opportunities for new urban parks, connected greenways, and other usable public spaces that enhance the value of adjacent commercial properties.
- **DOWNTOWN DEVELOPMENT OFFERINGS.** Work with the real estate development community to design, build, and activate underutilized properties in the region's downtowns through "development offerings."
 - Promote specific sites through requests for expressions of interest (RFEI), marketed to the real estate development community.
 - Move to a request for proposal (RFP), from a shortlist of qualified developers, that requires a more detailed development scenario including conceptual site plans and pro formas for capital costs and operating costs.
 - Select a developer as a partner in a public-private partnership to jointly develop the most promising sites for an agreed-upon mix of uses.

CASE STUDY: OKLAHOMA CITY INNOVATION DISTRICT, OKLAHOMA

NAME	Oklahoma City Innovation District
WEBSITE	okcinnovation.com
FUNDER(S)/ SPONSOR(S)	The Innovation District is slated to receive \$71 million in funds under the fourth cycle of the city's Metropolitan Area Projects Plan (MAPS) initiative, a limited-term one-cent sales tax used to build public facilities and infrastructure debt-free. Residents will vote on MAPS 4 funding in December 2019; improvements to the Innovation District are expected to move forward regardless of the election outcome.
PROGRAM AFFILIATION	<ul style="list-style-type: none"> • University of Oklahoma Health Sciences Center • State capital areas • GE Global Research
TIMELINE	<p>2013 GE Global Research center arrived in district.</p> <p>2015 Brookings Institution was hired with Project for Public Spaces, Anne T. and Robert M. Bass Initiative on Innovation and Placemaking to create a growth strategy for the innovation district.</p> <p>2017 GE-sponsored, multisector symposium on imaging technologies.</p>
BACKGROUND	The Innovation District leverages the preexisting medical district with new investments in the energy sector for collaboration. Originally focused on using innovation in research to position Oklahoma City as a premier destination for healthcare and oil and gas, the subsequent evolution positions the city more broadly to attract the next generation of researchers. The Brookings Institution identified four cross-cutting functions: big data analytics, sensors, imaging, and robotics. A core area is planned around Stiles Park, which includes an Innovation Hall, similar to designs in St. Louis and Boston, where research specialists, entrepreneurs, and students can network and collaborate. Located near downtown, the district still suffers from suburban, auto-oriented design and land use restrictions, siloing parts of the district from one another; however, walkable, mixed-use areas with attractive common spaces have been identified as one strategy to enhance the connections and innovation between sectors. As a result, the district is investing in activating public spaces through less capital-intensive means, such as food hubs, music festivals, and health fairs. The future vision for the district includes increased density, multimodal access, programming, and connections with surrounding neighborhoods.
KEY TAKEAWAY	Oklahoma's innovation district encompasses 1.3 square miles and accounts for approximately 18,000 jobs and 77 percent of the National Institutes of Health (NIH) funding in the state. Projections include an annual economic impact of \$1.2 billion and the creation of 6,600 permanent jobs with an annual tax revenue of \$21 million. Also important to the region, will be the availability of quality jobs not requiring a college degree that will pay between \$18 and \$22 per hour.

Source: TIP Strategies research.

PRIORITY THREE: THE INNOVATION ECONOMY

What constitutes innovation? An innovative economy is one in which intellectual property is essential to its business community. It is an economy driven by R&D, by patents, by investment in new equipment and production lines, and by a high concentration of skilled and educated workers. It is the source of ideas and creativity. It is where change happens. The ecosystem that supports innovation includes universities, centers of excellence, and the emergence of cutting edge (and commercializable) products and processes.

Mississippi lags behind the rest of the nation in the innovation economy. WalletHub's 2019 ranking of the Most and Least Innovative States places Mississippi 51 out of 51 states (including DC) based on a comparison of 24 key indicators of innovation friendliness ranging from share of science, technology, engineering, and math (STEM) professionals to R&D spending per capita to tech-company density. Coastal Mississippi lags behind the state, largely due to the lack of a research university.

FIGURE 9. MOST INNOVATIVE STATES, 2019
BOTTOM 10 IN OVERALL RANK

OVERALL RANK	STATE	WALLETHUB STATE INNOVATION INDEX	"HUMAN CAPITAL" RANK	"INNOVATION ENVIRONMENT" RANK
42	Nebraska	30.69	40	41
43	South Dakota	30.26	45	40
44	Kentucky	30.06	43	42
45	Hawaii	29.72	42	44
46	North Dakota	29.40	49	32
47	Tennessee	28.54	48	43
48	Iowa	28.11	46	46
49	West Virginia	27.06	47	51
50	Louisiana	21.89	50	49
51	Mississippi	19.13	51	50

Source: WalletHub, "Most and Least Innovative States," 2019. [wallethub.com/edu/most-innovative-states/31890](https://www.wallethub.com/edu/most-innovative-states/31890).

Note: Ranking includes the 50 states and the District of Columbia.

A stronger emphasis on innovation is clearly needed to support future growth. Fortunately, Coastal Mississippi has a strong candidate for inclusion in the innovation economy: **Stennis Space Center**. Strengthening the center through new programs and initiatives is in the region's interest. More basically, however, Stennis must become more integrated into the broader regional economy. Just as universities are expanding into downtowns (Arizona State University in Phoenix is a useful example), ancillary activities connected with Stennis could be located in one or more Coastal Mississippi communities.

The region has another strong effort to make regarding innovation: **blue technology**. The idea behind blue tech is that business and entrepreneurial opportunities connected with the oceans (and the Gulf of Mexico specifically) are an emerging sector on which the region can capitalize. Broadly speaking, it includes Huntington Ingalls Industries shipbuilding and current initiatives being launched by the University of Southern Mississippi in connection with the city of Gulfport and the Port of Gulfport. Interest in this sector is strong. Initiatives such as SeaAhead (blue tech innovation) are gaining traction (sea-ahead.com). Similar hubs, supported by venture investment, are likely to be successful if they connect with university R&D and directly address federal initiatives (including the military) in addition to private companies from maritime logistics to submarine drone development.

When TIP asked stakeholders to identify potentially transformational opportunities during the three county workshops in August 2019 and during the GCBC general member meeting in October 2019, participants indicated strong support for projects that accelerate innovation within the blue economy cluster of business and academic activities.

One approach to kickstart innovation and investment in blue tech (and potentially other focus areas, such as air and space and coastal zone resiliency) is to create centers of excellence.

Centers of excellence are a collaboration between higher education institutions and businesses,

leveraging the unique assets found within a region to support the advancement of research or training within a specific industry or focus area. They often serve as a magnet for industry expertise and are dedicated to the growth of innovation in existing and new companies within a region. They also provide leadership, recognition, best practices, research, support and/or training for entrepreneurs, in addition to current and future employees within one or more industries. Three ingredients of successful centers of excellence are as follows.

1. They are defined by a consortium or collaboration led by multiple colleges and universities.
2. They bring together higher education and industry and often other groups (e.g., government and nonprofits).
3. They are focused on a specific area of research, a particular industry segment, or a solution to a narrowly defined problem.

INVESTMENT EXAMPLES

- **STENNIS SPACE CENTER.** Strengthen the role of Stennis as a driver of innovation in Coastal Mississippi.
 - Explore options to take components of Stennis Space Center into the innovation districts of the region.
 - Participate in funding, talent recruitment, training, and facilities in support of the Licensing Innovations and Future Technologies in Space (LIFTS) Act.
- **COASTAL ZONE RESILIENCY.** Turn the region's environmental challenges into the source of opportunities for creative solutions to coastal zone management.
 - Invite proposals for a center of excellence on specific issues, such as the feasibility of seawalls, impacts of freshwater degradation of ocean coastal zones, and creative building materials and processes for high-risk coastal communities.
- **BLUE TECH CENTER OF EXCELLENCE.** Capitalize on existing assets to position downtown Gulfport as the center for blue economy investment and job growth for the entire Gulf Coast.
 - Solicit public-private partnership proposals for a center of excellence for blue tech research. Include coworking spaces and expanded research/testing facilities in downtown Gulfport. This center can serve as a physical home for blue tech activities.

COASTAL ZONE RESILIENCY

Disaster-related resiliency is not a passing fad. It is now fundamental to military strategy, to the site selection playbook, and as a point of distinction in disaster-prone areas. Not just along the Gulf Coast, but in relation to fire management in California, tornado preparedness in Oklahoma, and flood mitigation along the entire Mississippi River, preparing for and managing natural disasters is a growing priority.

TIP regards resiliency not only as a public safety concern, but also as an economic safeguard. However severe or frequent future hurricanes might be, it is clear that the perception is strongly embedded in the broader business community. Any company looking to relocate to Coastal Mississippi will regard resiliency as a precondition to making a site decision.

- Scale up existing events like Oceans in Action to become the place for innovators, investors, researchers, and startups focused on blue economy innovation.
- Create a blue tech investment summit (see KC Animal Health Corridor case study in the Target Industry Analysis, Appendix B).
- Invite proposals to establish a Blue Technology Council (similar to The Water Council in Milwaukee) to drive innovation, business growth, real estate development, events, and talent initiatives.
- **REMOTE WORKERS.** Make Coastal Mississippi a destination of choice for remote workers.
 - Establish an investment pool to fund a large-scale remote worker attraction program.
 - Mirror the Certified Retirement Communities program with a more forward-looking Certified Remote Worker Community initiative.
 - Model this program after the Tulsa Remote program, which offers a \$10,000 one-time incentive along with a comprehensive set of support structures for remote workers who relocate to Tulsa.

CASE STUDY: THE WATER CAMPUS, BATON ROUGE, LOUISIANA

NAME	The Water Campus
WEBSITE	thewatercampus.org
FUNDER(S)/ SPONSOR(S)	<ul style="list-style-type: none"> • The state of Louisiana and city-parish of Baton Rouge: <i>donated land</i> • Baton Rouge Area Foundation's (BRAF) Commercial Properties Realty Trust: <i>land development</i> • Louisiana State University (LSU): <i>operate small-scale model</i> • Louisiana Coastal Protection and Restoration Authority (CPRA): <i>research for the state's master plan and other projects</i> • Federal government • Private donations
PROGRAM AFFILIATION	<p>A partial list of affiliated institutions includes the following.</p> <ul style="list-style-type: none"> • Louisiana State University Center for River Studies • The Water Institute of the Gulf • Louisiana Coastal Protection and Restoration Authority (CPRA) • Deltares in Netherlands • Singapore-Delft Water Alliance
TIMELINE	<p>2015 The Water Campus groundbreaking ceremony</p> <p>2017 Center for Coastal and Deltaic Solutions, the signature building at The Water Campus, opens</p>
BACKGROUND	<p>Conceived by BRAF in the wake of Hurricane Katrina, the 35-acre waterfront Water Campus seeks to increase resiliency of coastlines, locally and globally, in the face of accelerating climate change. By attracting the best coastal scientists from around the world to Baton Rouge, The Water Campus hopes to become the international destination for water science and coastal restoration. Advances made by the campus will have immediate, tangible use as Louisiana coastlines are melting away at a rate of 24 square miles per year—a football field every 38 minutes. The campus is modeled after the Dutch water research institute, Deltares, which Louisiana officials have visited multiple times to see how the Netherlands is managing rising water levels in real time.</p>
KEY TAKEAWAY	<p>The Water Campus helps Louisiana leverage federal government funding for projects in the state's \$50-billion, 50-year master plan for coastal restoration. Further, the campus is projected to create 45,000 jobs over the next two decades and to continue to spark development in downtown Baton Rouge (which has seen \$1.45 billion in investment since 2010). In August 2019, the Louisiana National Guard announced plans to establish a \$1.5 million cybersecurity center at the campus for public and private enterprises.</p>

Source: TIP Strategies research.

ORGANIZATIONAL STRUCTURE

A passive posture toward economic growth is a prescription for failure. A new organizational structure is the best way to ensure a more aggressive and targeted mindset. This approach identifies new opportunities and actively solicits projects and proposals. The attraction of talent and capital are nonnegotiable elements of a successful Coastal Mississippi economy. The new organization must also move away from a “grant” mindset toward an investment model—one that seeks co-investment and expects a measurable return on investment.

The new organization will reward collaboration among counties, not an “us before them” mindset. This is a requirement of the legislation and the right prescription for a creative approach to joint issues.

The central element of this new approach is the shift toward thinking of the BP settlement dollars as the **Coastal Mississippi Investment Trust**. A fund earmarked by the following.

- Risk capital for transformative projects
- A focus on priority investments
- The expectation of measurable and quantifiable results, to include ROI analysis
- Professional fund management

In much the way a venture capital fund is driven by business models that can return value to shareholders, an investment trust would seek out projects that move the region to be more competitive—one that leverages *a unique opportunity to attract talent and capital to Coastal Mississippi*. This contrasts sharply with an approach that previously emphasized rebuilding and recovery.

It is TIP’s considered opinion that to meet these objectives, **a new organization for the allocation of funds should be created**. While this recommendation does not advocate for the consolidation of regional economic development efforts, it does provide a shared regional forum.

This model mirrors that of investment trusts generally. It is managed by a president (or executive director) directly supported by three to four fund managers. These fund managers have at their disposal a support team (often in the form of contractors with expertise in their given sectors). The president is answerable to a board of directors (typically no more than 12 individuals) and an advisory council, whose primary purpose is to extend the expertise of the president, fund managers, and board. The president serves at the pleasure of the board.

The projects that are funded constitute a *portfolio*. The portfolio is evaluated along with individual projects. The same risk-to-reward considerations govern the portfolio as they would in a strictly private investment trust. Again, the overarching goal of the trust is to increase the competitiveness of Coastal Mississippi and to do so through the attraction of capital and talent to the region.

A restructuring of this kind entails considerations—practical and political—that might require a different approach. The creation of a Coastal Mississippi Investment Trust is one possible form the new organization might take. Nevertheless, the funds should be seen as investment driven with specific desired outcomes. The question of what accomplishes this best should be the overarching question.

It has become apparent that the political leadership of the region is willing to embrace new ideas and to support a rethinking of the BP settlement funds. This recommendation can be further strengthened by having the Gulf Coast

GULF COAST BUSINESS COUNCIL AND GULF COAST COMMUNITY FOUNDATION

Business Council act as a coordinating entity for the Coastal Mississippi Investment Trust. The trust will work with county economic development organizations and local governments on the preparation of fund applications and, more broadly, alignment around the pillars established in the investment framework. This coordination should include workshops, conferences, and one-on-one meetings that serve an educational and marketing function. There might be no better mechanism to also address debates about image. The perception of a region can be more favorable when demonstrating where it is willing to invest.

PERFORMANCE METRICS

The success of a strategic plan must be tied to clear metrics that answer the question, *What does success look like?* Implementation will be tracked by specific metrics within each pillar:

1. Foundational

- a. Increase in share of population with broadband internet access
- b. Percent of population with access to 5G mobile service
- c. Increase in residential property values
- d. Increase in educational attainment levels (e.g., percentage of adults with a bachelor's degree or higher)
- e. Eighth-grade math and science performance
- f. Advanced Placement (AP) exam participation among high school students
- g. Average monthly passenger traffic at Gulfport-Biloxi International Airport

2. Core Economic Development

- a. Number of new jobs created
- b. Total new capital investment
- c. Number of new businesses formed
- d. Increase in average wages of new and existing jobs
- e. Increased absorption of commercial and industrial properties
- f. Growth of commercial tax base across Coastal Mississippi communities
- g. Increase in hotel occupancy and visitor spending

3. Transformational

- a. Number of new urban residential units in downtown districts
- b. Increase in square footage of commercial office space
- c. Increase in academic and private sector R&D investments
- d. Number of new utility patent grants
- e. Number of new Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards
- f. Increase in migration to Coastal Mississippi
- g. Increase in share of remote workers in the region's workforce

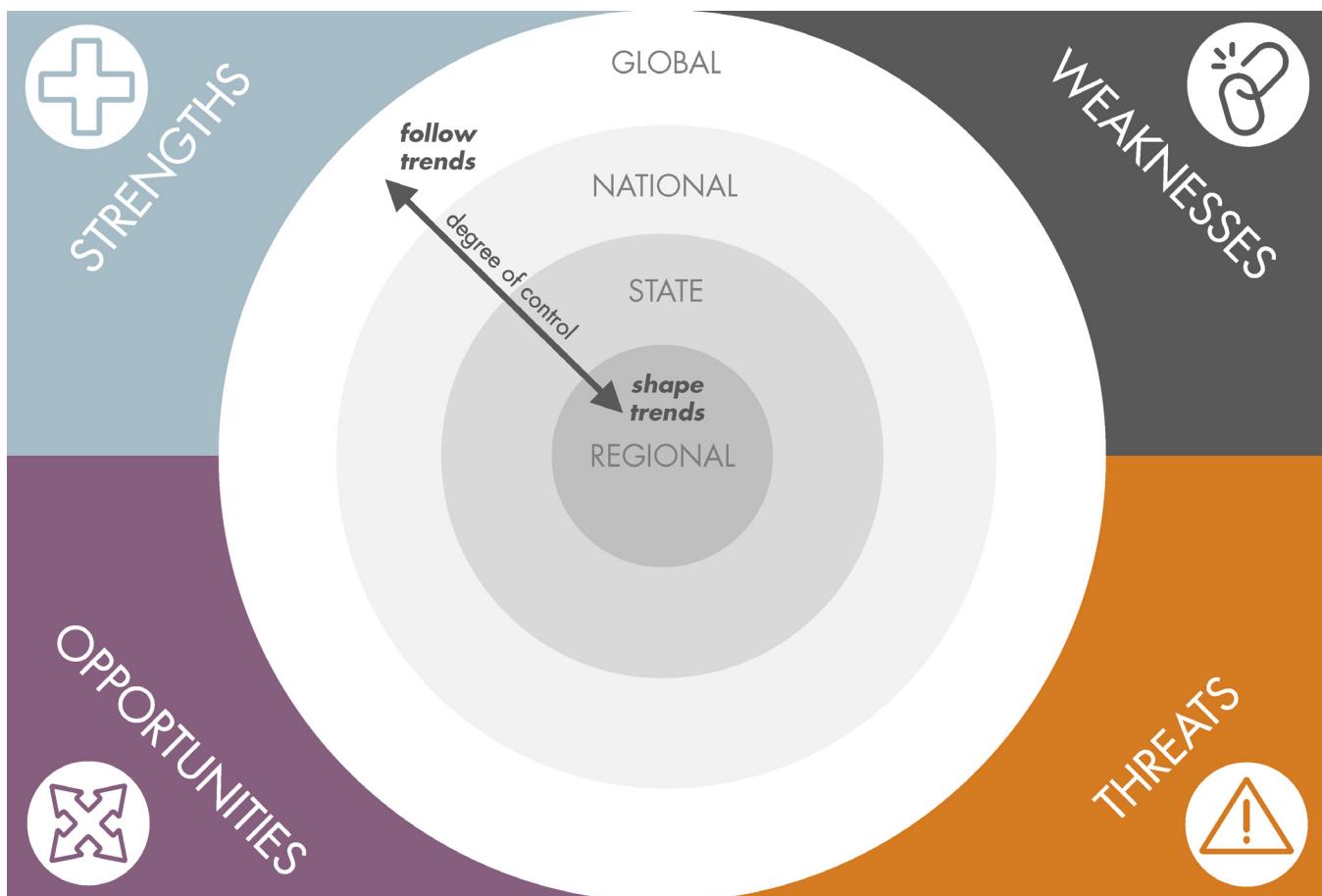
APPENDIX A. SWOT ANALYSIS

In addition to the data analysis, TIP conducted a more extensive analysis of the Coastal Mississippi's strengths, weaknesses, opportunities, and threats. This SWOT analysis relied heavily on qualitative input gathered during the workshops conducted in Hancock, Harrison, and Jackson Counties, and from other stakeholder interviews and roundtables. The analysis also incorporates findings from the quantitative data analysis and the consulting team's knowledge of national and global trends affecting economic development.

The SWOT analysis can be defined as follows.

- **STRENGTHS.** Advantages that can be built on to grow and strengthen the regional economy.
- **WEAKNESSES.** Liabilities and obstacles to economic development that limit the region's growth potential.
- **OPPORTUNITIES.** Assets and positive trends that hold significant potential for increased regional prosperity and the attraction of new businesses, investments, and people.
- **THREATS.** Unfavorable factors and trends that could negatively affect the regional economy.

The following section summarizes key assets/opportunities and challenges/threats. The graphics on the subsequent pages summarize the results of the analysis. Items closer to the center of the graph are more regional in nature. Those at the outer corners are influenced by state, national, or global trends, placing them largely outside regional control. While it is important to be aware of national and global trends, the focus of the BP oil spill settlement funds and this action plan should be on maximizing the region's strengths and opportunities.



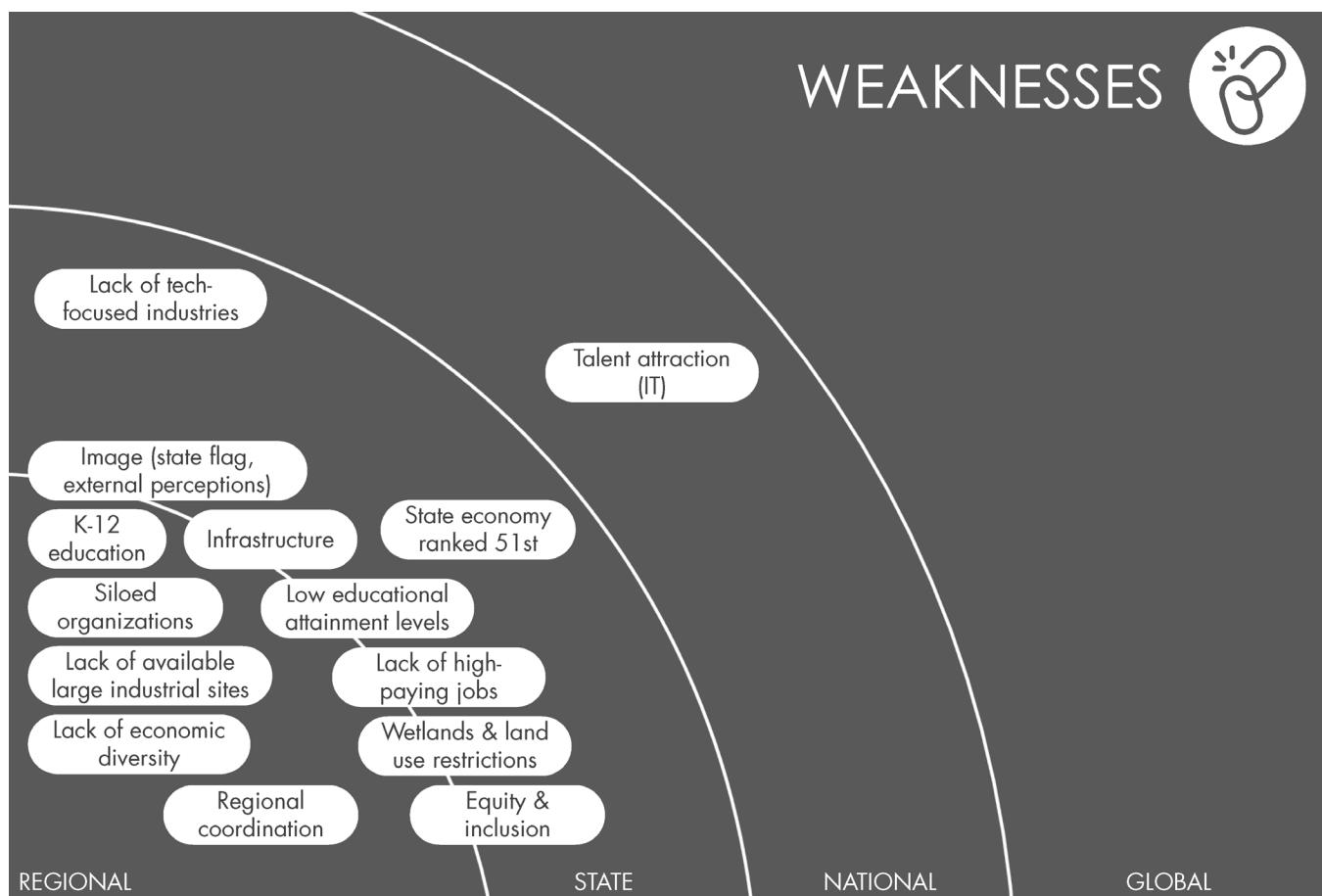
STRENGTHS

Coastal Mississippi has several assets that differentiate the region from its competitors across the southern US. Chief among these strengths is Stennis Space Center, NASA's largest rocket engine test facility. There is also a high concentration of marine-related industries and activities (Blue Economy). Technological advancements in space and marine industries are occurring along the Coast, and major employers in these industries employ thousands of skilled professionals. By leveraging these assets, Coastal Mississippi can enhance its global reputation and brand in space and marine innovation.



WEAKNESSES

Coastal Mississippi struggles due to its lack of economic diversity, low educational attainment levels, and siloed economic development activities. As discussed in the Economic Context section (page 2), the region lacks job opportunities in important industries, such as professional services, healthcare, and education. These industries concentrate high-growth sectors with high-paying jobs at numbers higher than other industries. In addition, the region's talent pipeline suffers from a lack of educational and employment opportunities. These deficiencies make it difficult for those who grow up in the region to stay and challenging for employers to attract talent.



OPPORTUNITIES

Opportunities abound along the Mississippi Gulf Coast. These range from the ability to leverage military contract-related industries to new nonstop flights from Gulfport-Biloxi International Airport (GPT). These opportunities helped inform the Priority Investments (page 14).



Notes: GOMESA is Gulf of Mexico Energy Security Act, which allows Gulf of Mexico states to receive revenue from offshore oil and gas productions. FDI is foreign direct investment, an investment made by a firm in one country into business interests in another country.

THREATS

A wide range of threats need to be considered in crafting a viable opportunity analysis. Many of these threats, ranging from environmental impacts to political trends, have the potential to change the economic landscape in dramatic ways. It is important to prepare for these external shocks and to craft strategies that can minimize their negative effects. By increasing regional collaboration, leaders can craft specific strategies to increase resiliency. These strategies can range from hardening the region's infrastructure to providing tactical responses for at-risk businesses. Most important, diversifying the region's economy will allow Coastal Mississippi to reduce dependence on industries vulnerable to cuts in military and federal government spending.



APPENDIX B. TARGET INDUSTRY ANALYSIS

INTRODUCTION

Following the 2010 Deepwater Horizon oil spill (in the Gulf of Mexico at the BP-operated Macondo Prospect), the largest maritime oil spill in US history, the state of Mississippi was awarded \$750 million to help offset economic damages in coastal communities. In 2018, the Mississippi legislature passed a law (Senate Bill 2002) committing 75 percent of the remaining BP settlement payments to the Gulf Coast Restoration Fund.

Led by the Gulf Coast Business Council and Gulf Coast Community Foundation, community leaders in Mississippi's coastal counties engaged Austin-based TIP Strategies to evaluate the region's current competitive position and identify opportunities for investment.

This report lays out the results of TIP's analysis of the industry sectors and opportunities that represent the best potential for expansion. It builds on an analysis of economic and demographic data and qualitative insights gained from interviews and roundtables held with stakeholders throughout the region. Based on this work, the following opportunities for the region have been identified.

- **AIR AND SPACE**—aircraft and aerospace-related industries, including Stennis Space Center
- **BLUE ECONOMY**—maritime industries and activities enhanced by the region's proximity to the Gulf of Mexico
- **DESTINATION LANDSCAPES**—hospitality and tourism industries making the region an attractive location for people across the country
- **ANCHOR INSTITUTIONS**—education and health sectors that bring research and development (R&D) funding to the region and provide critical services to residents

Findings from this work inform the Investment Framework (page 8), intended to provide guidelines for improving the regional economy over the next 15 years and for directing the use of settlement funds to achieve this goal.

Data featured in this Target Industry Analysis was compiled for the six-county Coastal Mississippi region that includes George, Hancock, Harrison, Jackson, Pearl River, and Stone counties.

FIGURE 10. IDENTIFYING TARGETS

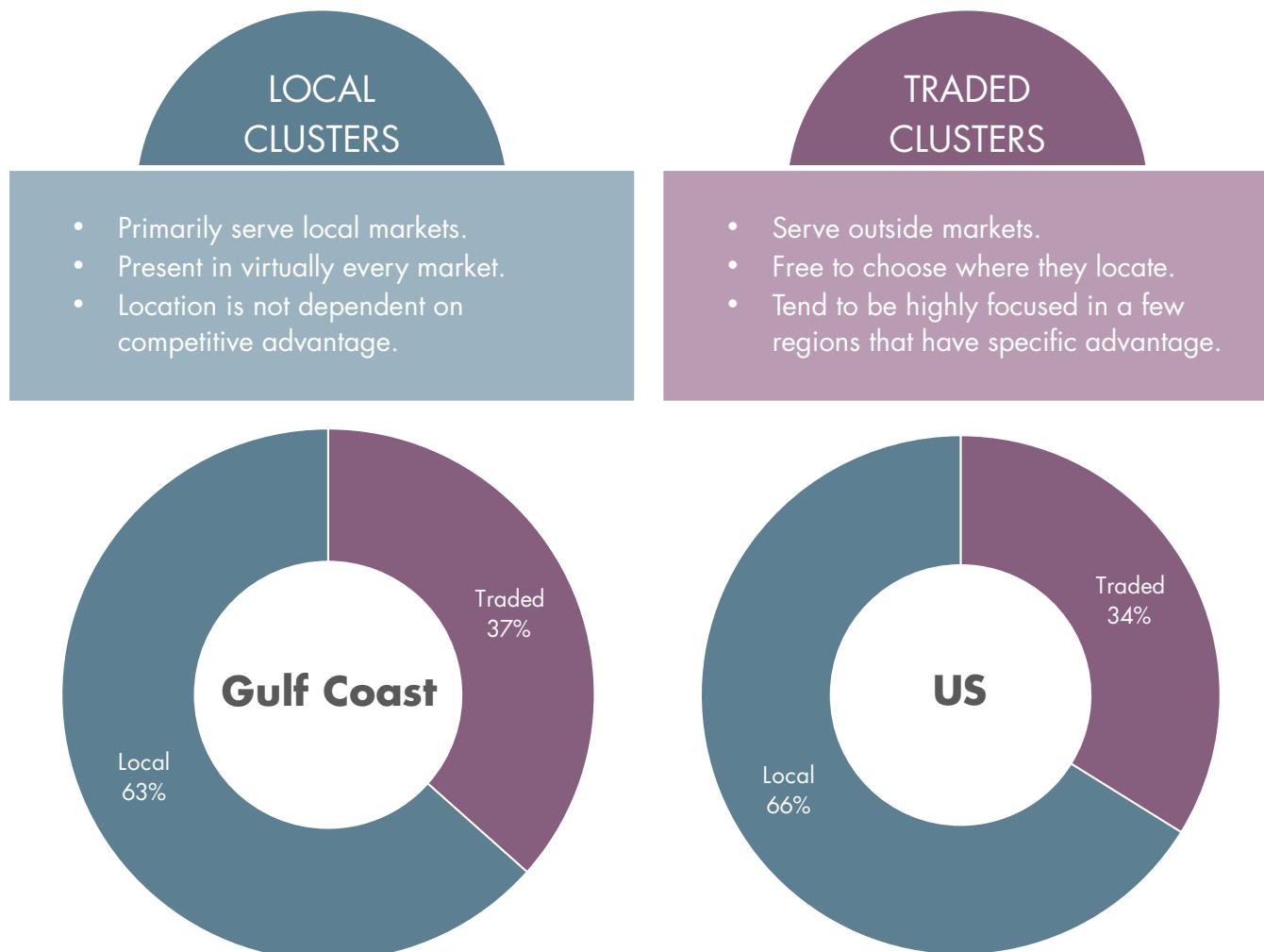


FIGURE 11. STRATEGIC ASSETS OF COASTAL MISSISSIPPI



Sources: TIP Strategies, Esri ArcGIS.

FIGURE 12. EMPLOYMENT CLUSTERS: TRADED VS. LOCAL
EMPLOYMENT IN 2017 BASED ON CLUSTER TYPE

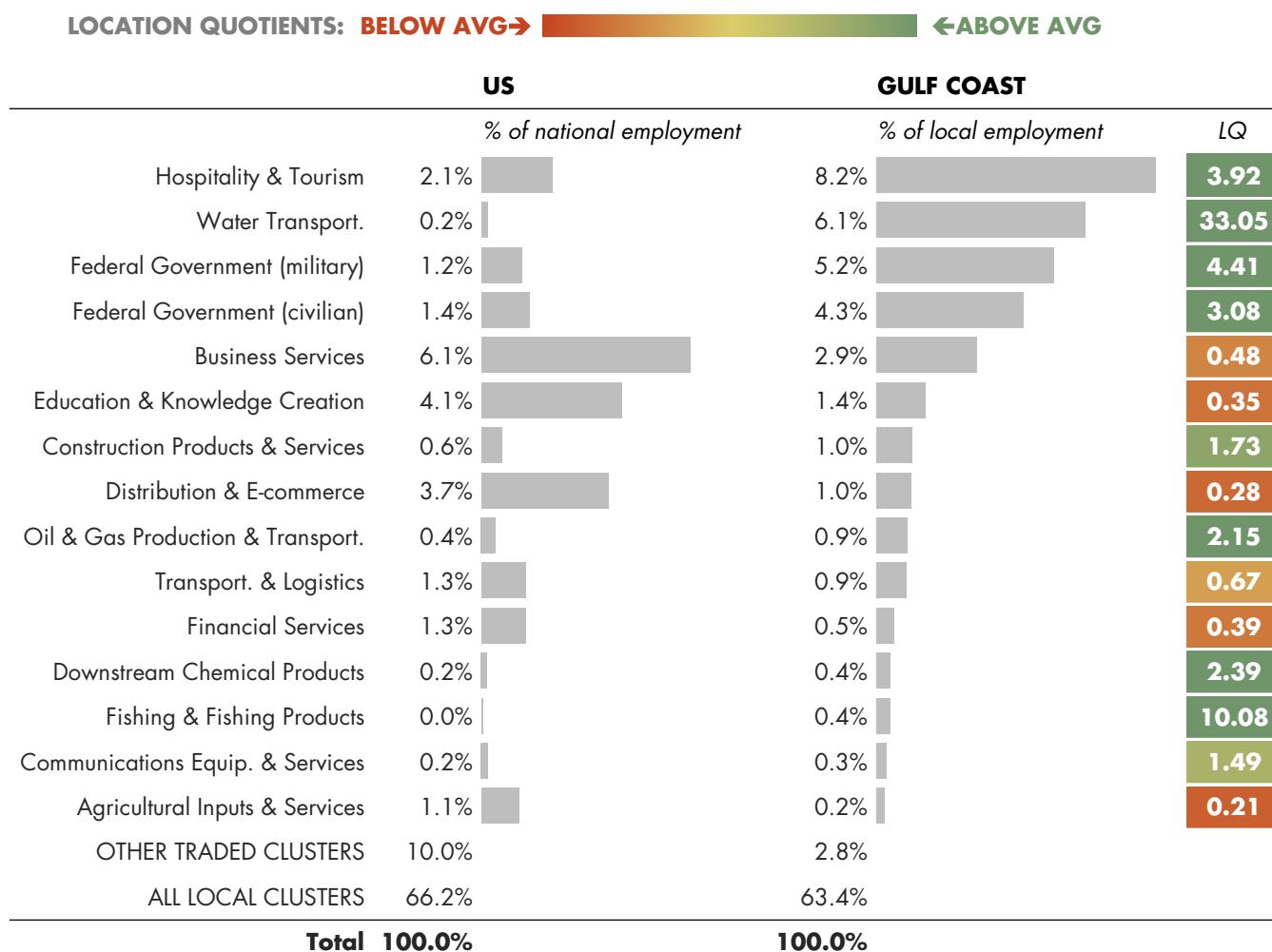


WHY IT MATTERS

Increasing the ratio of traded-to-local clusters is a common strategy for enhancing economic prosperity. Traded clusters are emphasized by economic developers because they include industries and firms that typically produce goods and services for customers beyond the local region. These traded activities are thus more likely to produce externally generated revenues which can, in turn, help boost local tax coffers. As an example, a dental office might serve local customers exclusively, while a manufacturing plant, a data center, or a hotel would typically serve paying customers beyond the local area. The ability of traded clusters to serve larger markets also presents greater opportunity for employment growth, whereas a dental office might face more finite geographic limits to expansion.

Sources: US Bureau of Labor Statistics; Emsi 2018.3-Quarterly Census of Employment and Wages (QCEW) Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness, Harvard Business School; TIP Strategies. Notes: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi. Emsi is the Economic Modeling Specialists International—see economicmodeling.com.

FIGURE 13. EMPLOYMENT CLUSTERS: WEIGHT (SIZE AND CONCENTRATION)
TRADED CLUSTERS EMPLOYING THE MOST WORKERS LOCALLY IN 2017



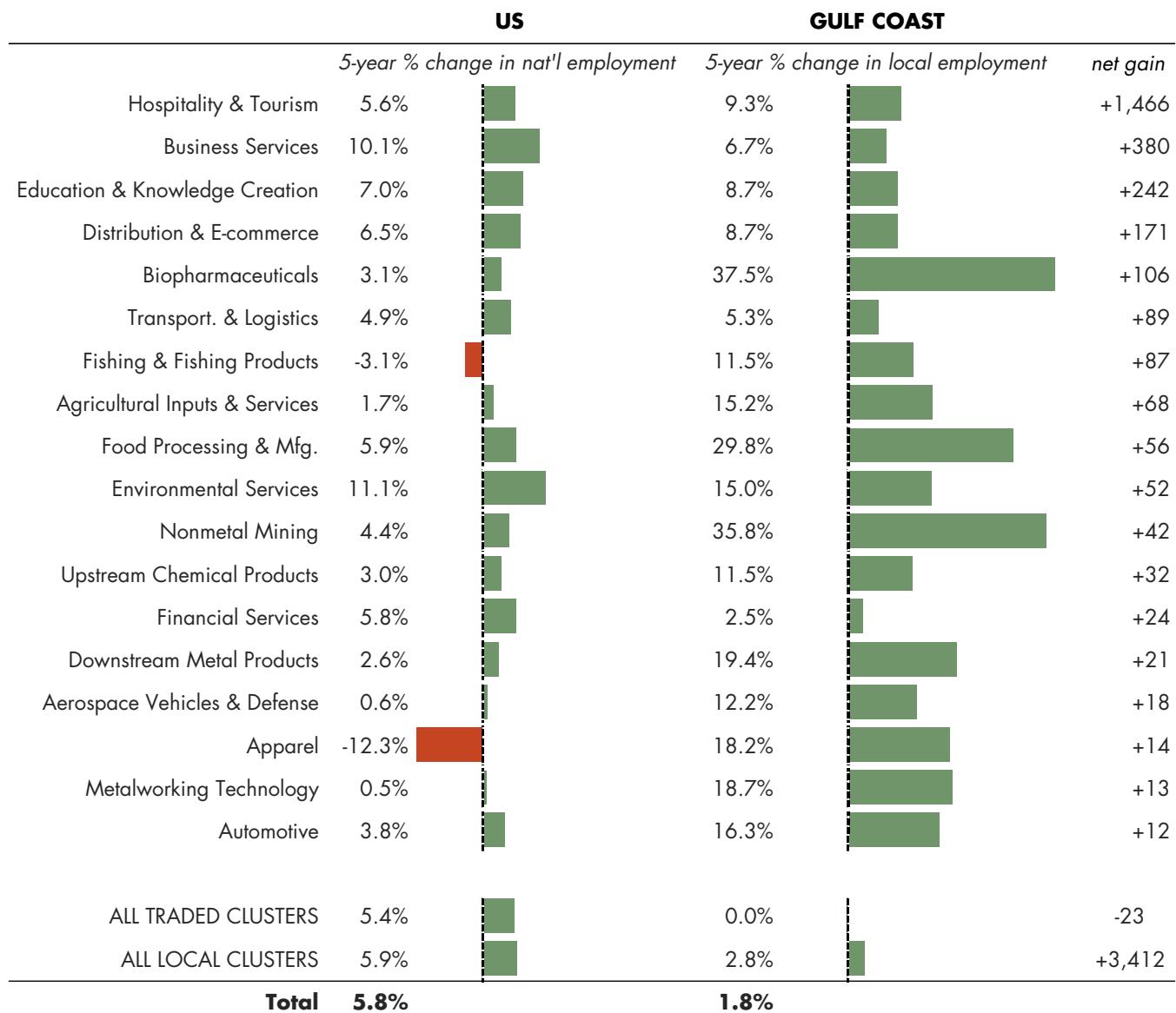
WHY IT MATTERS

While local clusters (such as dental offices) typically account for a similar share of employment across communities of varying size, the share of total employment represented by traded clusters (such as automotive assembly plants) might differ dramatically from one community to the next. Traded clusters that account for a larger-than-average share of total employment can suggest areas of competitive advantage. This figure compares the distribution of employment by cluster in the US (first column) with the local area (second column). The third column uses location quotients (LQs) to convey the intensity of employment locally relative to the US. If a traded cluster represents 1 percent of US employment and 5 percent of local employment, its LQ would be 5.0, meaning that the traded cluster is five times larger in the local area than would be expected based on national patterns.

Sources: US Bureau of Labor Statistics; Emsi 2018.3– QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness, Harvard Business School; TIP Strategies.

Notes: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi. Due to rounding, numbers might not add up to equal 100.

FIGURE 14. EMPLOYMENT CLUSTERS: PROJECTED GROWTH
TRADED CLUSTERS WITH THE HIGHEST PROJECTED LOCAL JOB GAINS, 2017-2022



WHY IT MATTERS

Understanding anticipated job growth in traded clusters is an essential element of the targeting process. This figure compares projected net job gains in percentage terms over a 5-year horizon for the US (first column) and the local area (second column). The column on the far right shows projections (in numeric terms) for local net job gains in traded clusters in descending order. The last three rows of the exhibit—showing projected job growth aggregated for traded clusters, local clusters, and total employment—can help inform strategic discussions and refine goals for the future.

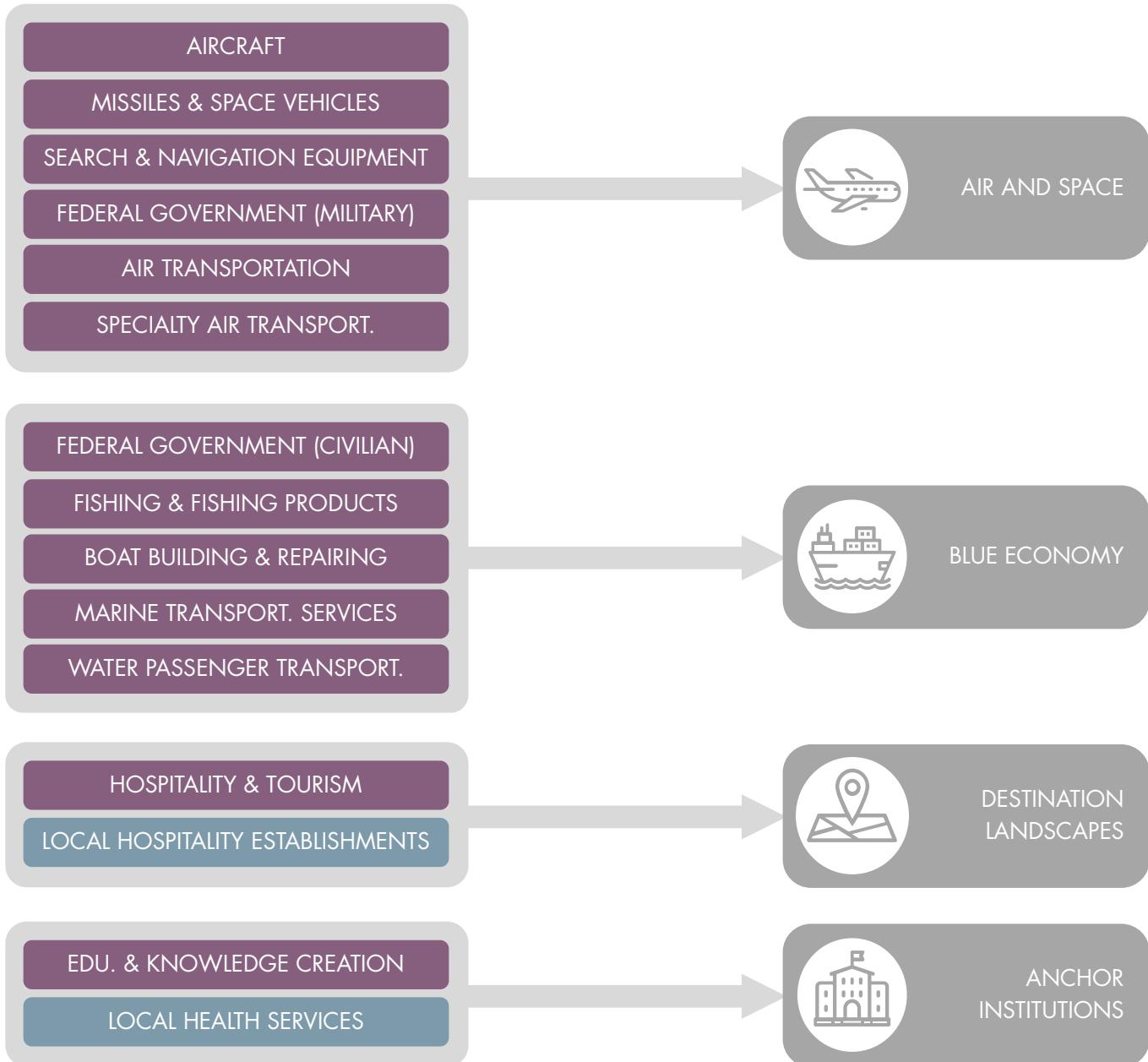
Sources: US Bureau of Labor Statistics; Emsi 2018.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness, Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 15. TARGETING FRAMEWORK

TRADED and **LOCAL** clusters and subclusters emerge from the analysis...

...to provide a foundation for
TARGET SECTORS



Source: US Economic Development Administration; Institute for Strategy and Competitiveness, Harvard Business School; TIP Strategies.

AIR AND SPACE

Coastal Mississippi is home to an internationally acclaimed aerospace asset: the John C. Stennis Space Center. Located in Hancock County, Stennis Space Center is NASA's largest rocket engine test facility and is one of 10 NASA field centers in the United States. As new space activities focused on commercial space exploration continue to grow, ¹ Coastal Mississippi is poised to build on its existing base of air and aerospace industries to become a global center for aerospace innovation and commercialization. While missile testing has dominated the region's aerospace activities, Coastal Mississippi must develop and recruit high-growth startups in commercial space exploration to compete in the growing missiles and space vehicles sector. The Licensing Innovations and Future Technologies in Space (LIFTs) Act introduced in November 2019 by Mississippi Senators Roger Wicker and Cindy Hyde-Smith to create a centralized commercial space training facility is an important step in the right direction.

The presence of Keesler Air Force Base in Harrison County also provides the region with a significant advantage and a unique set of assets related to aircraft and military-related business activities. Keesler, along with the aerospace and defense professionals it attracts, makes the region an important site for drone technological development and commercialization.

According to McKinsey & Company, the value of drone activity in the US rose from \$40M to over \$1B between 2012 and 2017, and commercial drone applications alone are estimated to value between \$31B and \$46B by 2026.¹ Drones are rapidly moving from military to commercial use, and startups are driving the innovation—more than 300 unmanned aerial systems (UAS) startups have entered the market since 2000 and have attracted more than \$3B in funding, while original equipment manufacturers (OEMs) have received less than \$1.4B. Targeting this industry will require fostering an entrepreneurship ecosystem that attracts R&D funding, skilled professionals, and entrepreneurs.

CASE STUDY: STARGATE

LOCATION: Brownsville, Texas

Aerospace innovation developed through a public-private partnership.



The Spacecraft Tracking and Astronomical Research into Gigahertz Astrophysical Transient Emission (STARGATE) is a public-private partnership between the Center for Advanced Radio Astronomy (CARA) at the University of Texas Rio Grande Valley (UTRGV) and SpaceX. CARA conducts deep space research with radio-frequency technologies and was conceived by Dr. Fredrick Jenet to engage and train the next generation of science, technology, engineering, and math (STEM) workers, especially youth from underrepresented minority groups. Located next to SpaceX's command center in Boca Chica Village, STARGATE is a \$2.2 million, 15,000 square-foot facility that houses office and laboratory space for students and incubators specializing in electronics and radio-frequency technologies. Ensuring the success and longevity of STARGATE requires investment in education to create a pool of highly skilled local talent. STARGATE's 5-year plan includes developing a student mentor program, holding a business plan competition, hosting forums on entrepreneurship and investing, and showcasing events.

Source: TIP Strategies research.

¹ Pamela Cohn, Alastair Green, Meredith Langstaff, and Melanie Roller. "Commercial Drones Are Here: The Future of Unmanned Aerial Systems." Capital Projects and Infrastructure, McKinsey & Company. December 2017. mck.co/2AAz95r.

PROFILE DATA

FIGURE 16. TARGET SNAPSHOT

GULF COAST	TOTAL	TARGET
2018 Payrolled Business Locations	9,515	34
2018 Employment	193,020	10,652
Net Chg., 2008–2018	-8,803	-3,143
Pct. Chg., 2008–2018	-4.4%	-22.8%

FIGURE 18. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2008–2023	+9,424,267	+51,264
Pct. Chg., 2008–2023	+5.8%	+1.6%
GULF COAST	TOTAL	TARGET
Net Chg., 2008–2023	+3,400	-965
Pct. Chg., 2008–2023	+1.8%	-9.1%

FIGURE 19. TARGET COMPONENTS

ANNUAL EMPLOYMENT

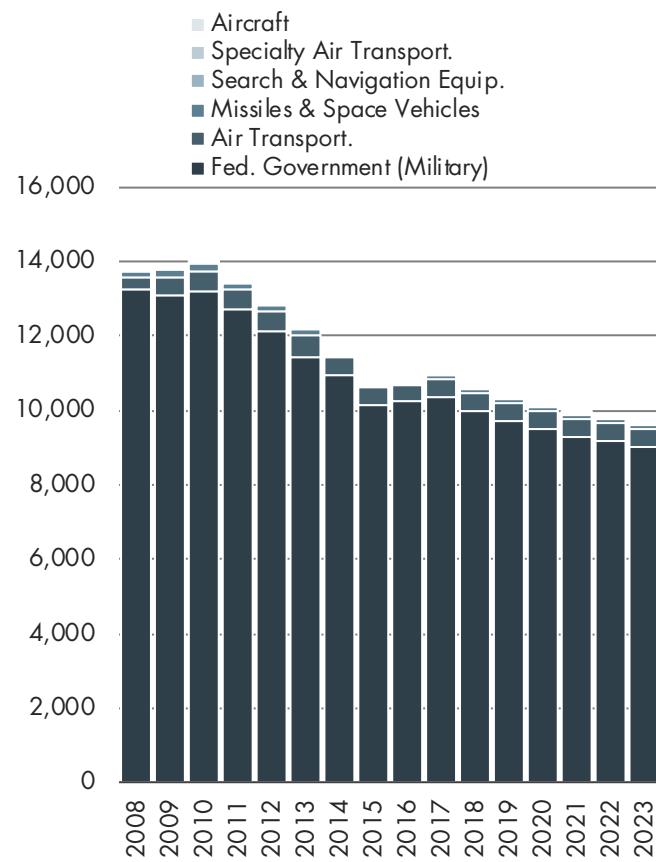


FIGURE 17. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

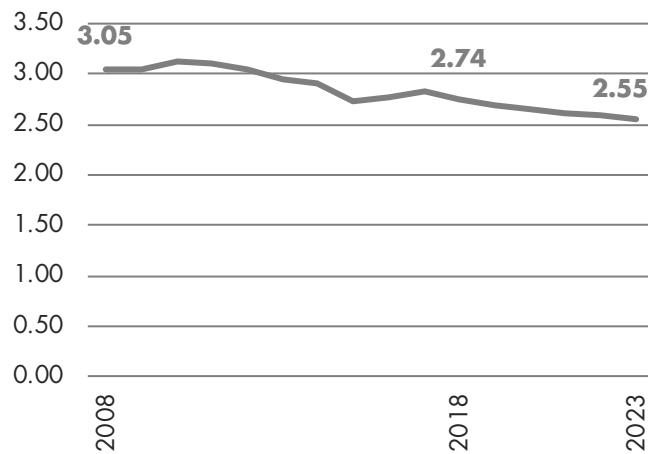
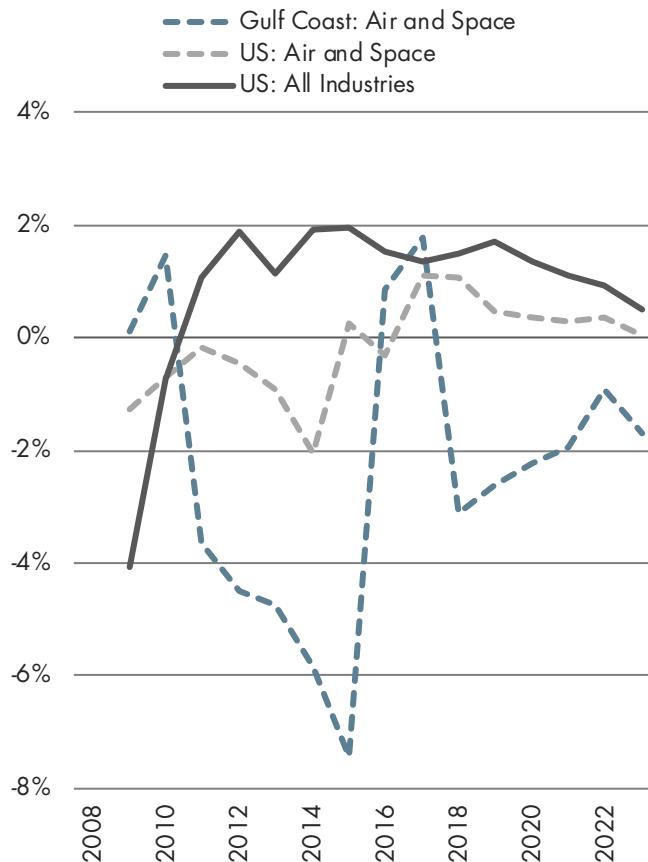


FIGURE 20. TARGET GROWTH

ANNUAL PERCENT CHANGE IN EMPLOYMENT



Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 21. TARGET STAFFING PROFILELQs & RELATIVE EARNINGS:  **BELOW AVG** **ABOVE AVG**

Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Notes: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi. The Standard Occupational Classification (SOC) is a federal standard used to classify workers into occupational categories.

BLUE ECONOMY

Coastal Mississippi's proximity to several bodies of water, including the Gulf of Mexico, the Mississippi River, and the Tennessee-Tombigbee Waterway, provides the region with a competitive advantage in the Blue Economy. The Center for the Blue Economy at the Middlebury Institute of International Studies defines the term as "economic activities that create sustainable wealth from the world's oceans and coasts."² Buoyed by the presence of anchor institutions such as the US Navy, the National Oceanic and Atmospheric Administration (NOAA), and the University of Southern Mississippi Division of Marine Science, the region is well positioned to grow maritime-related industries and activities on the Coast.

Though the region's Blue Economy suffered due to the BP oil spill, the sector has rebounded since 2010 and is projected to grow through 2022 (see Figure 26). Shipbuilding and other defense-related developments comprise the bulk of Coastal Mississippi's Blue Economy activities. Strengthening this target industry, however, will require growth in technological innovation and business growth. Civic and business leaders can prioritize a variety of strategies, including developing a "Blue Economy Innovation District" in downtown Gulfport, expanding events (like Oceans in Action) focused on Blue Economy topics, and recruiting tech companies focused on ocean exploration and water innovation.

CASE STUDY: The Water Council
LOCATION: Milwaukee, Wisconsin

Blue Economy investments made in Milwaukee, Wisconsin.



The Water Council sprung from an industry cluster analysis, per a regional economic development initiative, which identified the depth and potential growth of the water technology cluster. The initiative was driven by the private sector, higher education, two nonprofits, the Greater Milwaukee Committee, and the Spirit of Milwaukee. Through research, loaned executives, and extensive collaboration, the Water Council was formed as a nonprofit in 2009. It is focused on five outcomes: increasing research in water technology, commercializing water technology research, promoting water entrepreneurship, increasing access to capital, and developing a skilled workforce.

In 2009, the Water Council was inducted into the UN Global Compact Cities Programme, an initiative to help city leaders find solutions to urban issues within local capacity and has been headquartered within the 100,000 square-foot Global Water Center (GWC) since doors opened in July 2013. The GWC and the School of Freshwater Sciences (housed at the University of Wisconsin-Milwaukee) serve as two anchors in the Water Technology District, an area just south of downtown Milwaukee that has become the epicenter for the region's water cluster, thanks to more than \$220 million of new public and private investments from 2010 to 2014.

Source: TIP Strategies research.

² Center for Blue Economy. See www.middlebury.edu/institute/academics/centers-initiatives/center-blue-economy.

PROFILE DATA

FIGURE 22. TARGET SNAPSHOT

GULF COAST	TOTAL	TARGET
2018 Payrolled Business Locations	9,515	162
2018 Employment	193,020	20,816
Net Chg., 2008–2018	-8,803	-3,216
Pct. Chg., 2008–2018	-4.4%	-13.4%

FIGURE 24. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2008–2023	+9,424,267	+48,981
Pct. Chg., 2008–2023	+5.8%	+1.9%
GULF COAST	TOTAL	TARGET
Net Chg., 2008–2023	+3,400	-1,296
Pct. Chg., 2008–2023	+1.8%	-6.2%

FIGURE 25. TARGET COMPONENTS

ANNUAL EMPLOYMENT

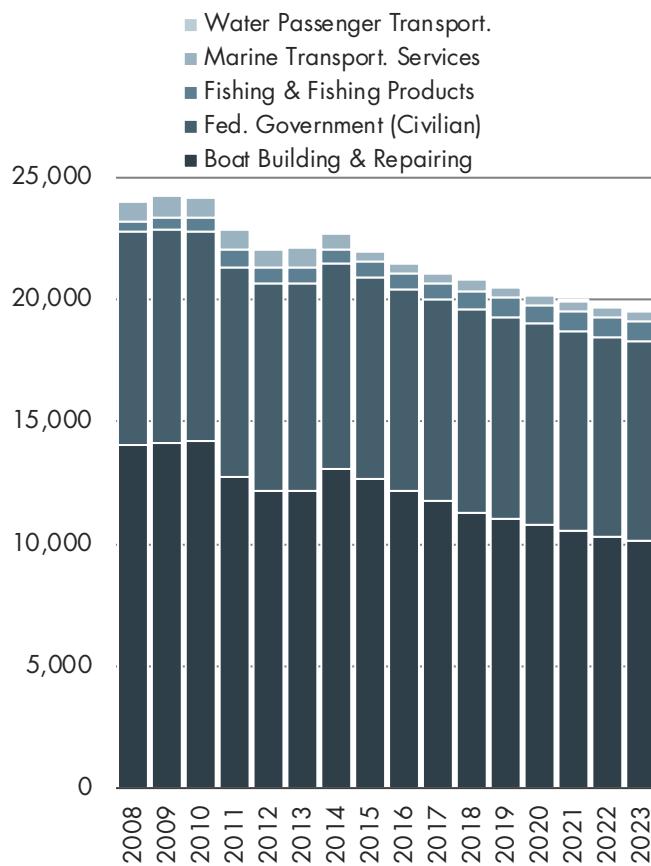


FIGURE 23. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

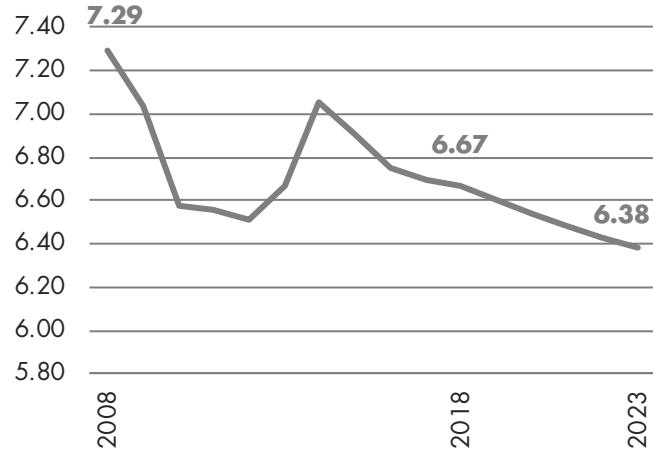
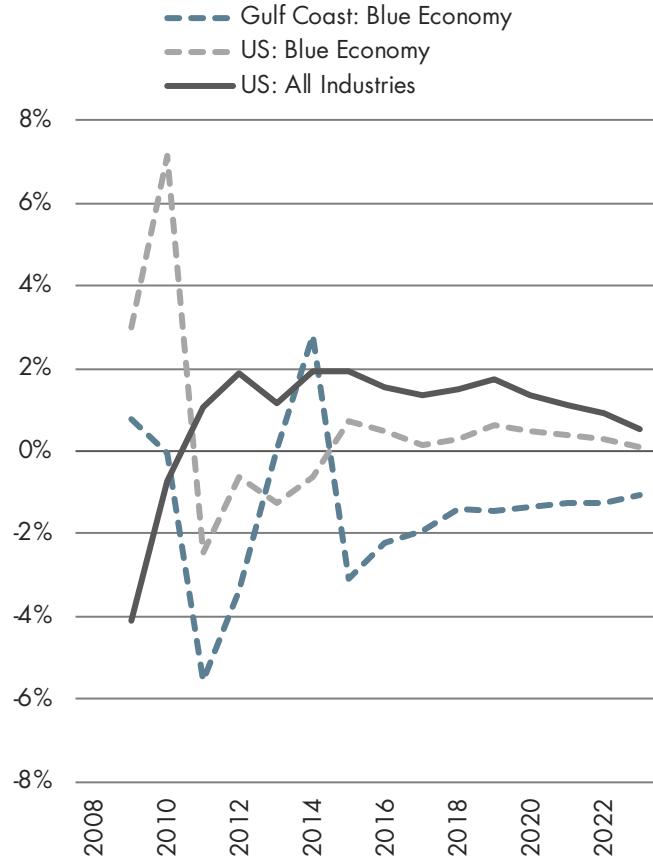


FIGURE 26. TARGET GROWTH

ANNUAL PERCENT CHANGE IN EMPLOYMENT



Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 27. TARGET STAFFING PROFILELQs & RELATIVE EARNINGS: **BELOW AVG**  **ABOVE AVG**

STANDARD OCCUPATIONAL CLASSIFICATION		EMPLOYMENT			EARNINGS	
Code	Description	2018 Jobs	% of Target	LQ (US= 1.00)	Local Hourly Median	Relative to US Median (US=1.00)
51-4121	Welders, Cutters, Solderers, & Brazers	1,452	6.7%	11.05	26.30	1.33
29-1141	Registered Nurses	559	2.6%	0.80	28.21	0.82
51-2098	Assemblers & Fabricators, All Other	556	2.6%	3.54	20.08	1.33
47-2111	Electricians	539	2.5%	5.96	26.04	1.00
51-1011	First-Line Supvsr., Production & Operating Workers	478	2.2%	6.08	35.45	1.23
47-2152	Plumbers, Pipefitters, & Steamfitters	474	2.2%	6.10	24.77	0.98
13-1199	Business Operations Specialists, All Other	452	2.1%	0.31	32.33	0.95
51-2041	Structural Metal Fabricators & Fitters	445	2.1%	9.25	19.92	1.05
11-1021	General & Operations Managers	408	1.9%	1.32	31.34	0.65
53-7062	Laborers/Freight, Stock, & Material Movers, Hand	387	1.8%	1.34	12.39	0.91
51-9122	Painters, Transportation Equipment	335	1.6%	13.30	29.81	1.49
47-2211	Sheet Metal Workers	301	1.4%	4.08	18.72	0.81
13-1041	Compliance Officers	275	1.3%	0.55	24.81	0.75
51-9061	Inspectors, Testers, Sorters, Samplers, & Weighers	267	1.2%	4.52	26.76	1.45
51-4192	Layout Workers, Metal/Plastic	250	1.2%	7.68	30.00	1.30
13-1028	Buyers and Purchasing Agents	243	1.1%	0.77	32.15	1.07
51-6093	Upholsterers	242	1.1%	34.25	24.49	1.53
49-9071	Maintenance & Repair Workers, General	235	1.1%	1.88	15.74	0.86
43-5061	Production, Planning, & Expediting Clerks	235	1.1%	2.77	26.84	1.18
51-4041	Machinists	229	1.1%	3.82	26.05	1.24
49-9096	Riggers	220	1.0%	4.29	24.75	1.02
47-1011	First-Line Supvsr., Constr. Trades & Extraction	216	1.0%	5.50	29.35	0.97
43-9061	Office Clerks, General	201	0.9%	0.68	14.25	0.91
43-5081	Stock Clerks & Order Fillers	198	0.9%	2.58	11.96	0.97
13-1081	Logisticians	198	0.9%	0.75	34.41	0.96

Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

WHY IT MATTERS

Each target industry is underpinned by its workforce, making the occupational composition of each target worthy of further analysis. This figure shows each target's largest occupational contributors. The number of local jobs for each occupation is shown, along with the occupation's weight (in percentage terms) within the target. The location quotient (LQ) compares the occupation's local weight to its national weight within this target. An LQ that exceeds 1.00 indicates a local occupation is employed more heavily by the local target industry than national patterns might imply, while an LQ below 1.00 indicates relatively lighter local reliance on the occupation. Median local hourly earnings accompany the occupations shown in the exhibit. Wage ratios exceeding 1.00 indicate higher pay than the same occupation might expect nationally, while ratios below 1.00 suggest relatively lower compensation than the national level.

DESTINATION LANDSCAPES

According to the Coastal Mississippi 2019 annual update, the Coast attracts 13.5 million visitors on an annual basis, bringing over \$3 billion in economic impact to the region. Thanks to a robust gaming industry, Coastal Mississippi is widely known as a popular tourist destination for those who want to stay at one of the many casinos. Growth in gaming institutions brought important economic benefits, including greater tax revenue and increased employment, especially as other industries struggled to recover after the Great Recession (2007–2009). In addition, the region's strong hospitality and tourism industry has supported the expansion of flight routes at Gulfport-Biloxi International Airport to new cities, including Austin, Minneapolis–Saint Paul, and Orlando. While the gaming industry has played an important role in Coastal Mississippi's economic recovery and growth, the gaming market is mature along the Coast. The region will benefit by diversifying tourist attractions, appealing to a different demographic of visitors, and aligning marketing efforts across the region.

The expected opening of the Gulfport Mississippi Aquarium in 2020 represents an important step toward diversifying tourist attractions and amenities. Expansion of attractions for millennials will also help bring a younger demographic to the region, which could further support talent recruitment efforts that will strengthen Coastal Mississippi's economic base. The unified marketing and promotion of the region by Coastal Mississippi will help advance the image of the Coast.

CASE STUDY: Make It Tampa Bay

LOCATION: Tampa Bay, Florida

How Tampa Bay, Florida, turned tourism into a recruitment strategy.



Wanting to capitalize on its status as a popular tourist destination, the Tampa Hillsborough Economic Development Corporation (EDC), in partnership with Visit Tampa Bay (the destination marketing organization for Hillsborough County) and Hillsborough County, created a cohesive marketing campaign to entice tourists and businesses into staying permanently. The Make It Tampa Bay initiative specifically targets millennial job seekers and business owners who had previously traveled to the region. It also builds on its sister campaign, Visit Tampa Bay, uniting marketing efforts for the region.

Make It Tampa Bay campaign's nascent success is clear. Recent job growth outpaces the national average, and within the past 2 years the region has had 28 recruitment wins (15 in 2017 and 13 wins in 2018). Most notably, two international companies (Frank Recruitment Group and Liftup Inc.) and one tech company (Validity, Inc.) opened offices in Tampa. In October 2019, CAE USA (a training and simulation defense company) broke ground on its US headquarters. This move will add an additional 100 jobs to the area. Other success indicators come from its online campaign. Since the launch, over 4,500 unique job searches have been conducted on the campaign's site and more than 500 users have signed up for the newsletter.

Source: TIP Strategies research.

PROFILE DATA

FIGURE 28. TARGET SNAPSHOT

GULF COAST		TOTAL	TARGET
2018 Payrolled Business Locations	9,515	1,237	
2018 Employment	193,020	34,340	
Net Chg., 2008–2018	-8,803	+4,199	
Pct. Chg., 2008–2018	-4.4%	+13.9%	

FIGURE 30. EMPLOYMENT OUTLOOK

US OVERALL		TOTAL	TARGET
Net Chg., 2008–2023		+9,424,267	+1,174,148
Pct. Chg., 2008–2023		+5.8%	+7.0%
GULF COAST		TOTAL	TARGET
Net Chg., 2008–2023		+3,400	+2,823
Pct. Chg., 2008–2023		+1.8%	+8.2%

FIGURE 31. TARGET COMPONENTS

ANNUAL EMPLOYMENT

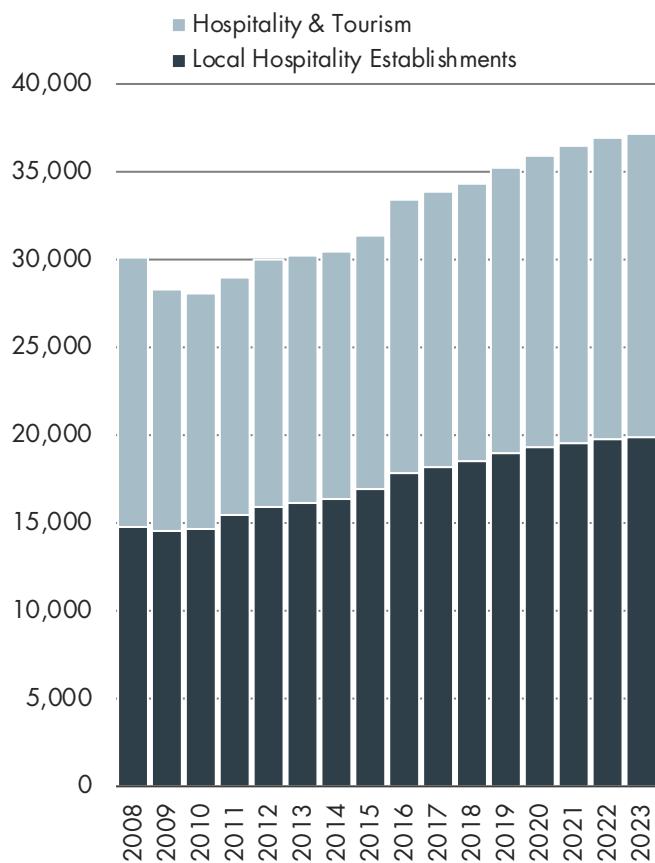


FIGURE 29. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

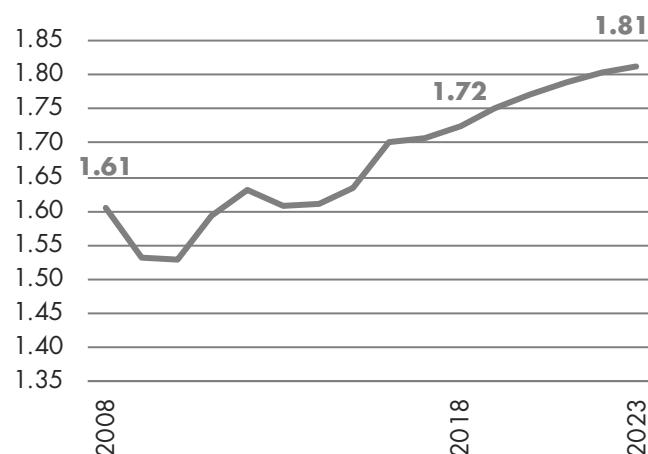
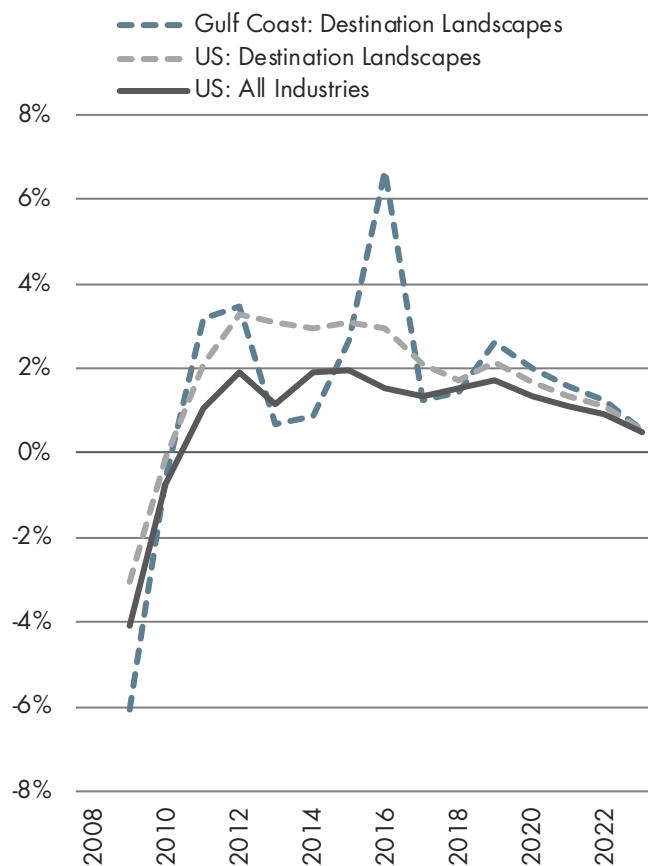


FIGURE 31. TARGET GROWTH

ANNUAL PERCENT CHANGE IN EMPLOYMENT



Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 33. TARGET STAFFING PROFILELQs & RELATIVE EARNINGS: **BELOW AVG**  **ABOVE AVG**

STANDARD OCCUPATIONAL CLASSIFICATION		EMPLOYMENT			EARNINGS	
Code	Description	2018 Jobs	% of Target	LQ (US= 1.00)	Local Hourly Median	Relative to US (US=1.00)
35-3031	Waiters & Waitresses	5,177	15.1%	1.02	8.79	0.84
35-2014	Cooks, Restaurant	2,982	8.7%	1.11	10.69	0.84
39-3011	Gaming Dealers	2,206	6.4%	15.51	8.93	0.92
35-3021	Combined Food Prep. & Servers, Incl. Fast Food	2,118	6.2%	0.32	9.18	0.90
35-2011	Cooks, Fast Food	1,692	4.9%	1.71	8.52	0.79
35-1012	First-Line Supvsr., Food Prep. & Servers	1,559	4.5%	0.92	11.66	0.75
41-2011	Cashiers	1,295	3.8%	1.38	8.85	0.82
35-2021	Food Preparation Workers	970	2.8%	0.98	8.96	0.79
37-2012	Maids & Housekeepers	940	2.7%	0.95	9.14	0.81
35-3011	Bartenders	848	2.5%	0.74	8.69	0.80
37-2011	Janitors & Cleaners, Exc. Maids & Housekeepers	833	2.4%	2.93	10.46	0.83
39-1018	First-Line Supervisors of Gaming Workers	757	2.2%	17.87	22.34	0.95
43-4081	Hotel, Motel, & Resort Desk Clerks	700	2.0%	1.39	10.51	0.92
33-9032	Security Guards	687	2.0%	3.59	12.42	0.91
35-9011	Attendants & Bartender Helpers	661	1.9%	0.79	8.96	0.84
35-9031	Hosts & Hostesses	624	1.8%	0.76	8.76	0.82
53-3031	Driver/Sales Workers	505	1.5%	1.17	9.25	0.78
49-9071	Maintenance & Repair Workers, General	398	1.2%	1.23	15.74	0.86
35-9021	Dishwashers	397	1.2%	0.43	8.63	0.79
35-3022	Counter Attendants, Cafeteria, & Concession	393	1.1%	0.58	8.89	0.83
11-9051	Food Service Managers	380	1.1%	0.74	21.15	0.90
35-2015	Cooks, Short Order	377	1.1%	1.36	9.14	0.80
39-3091	Amusement & Recreation Attendants	320	0.9%	0.62	8.91	0.83
41-2012	Gaming Change Persons & Booth Cashiers	308	0.9%	12.94	11.61	0.97
43-3041	Gaming Cage Workers	304	0.9%	16.50	14.01	1.06

Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

ANCHOR INSTITUTIONS

Anchor institutions are those focused on education and health services in a community. They play a fundamental role in providing basic services, building a skilled workforce, and connecting stakeholders across the community. Without strong anchor institutions, communities are at a competitive disadvantage for attracting or retaining residents and businesses.

Coastal Mississippi benefits from the presence of key education institutions, such as the University of Southern Mississippi, Mississippi Gulf Coast Community College, and community health systems that care for residents and attract skilled professionals to the region. Employment in education and health sectors has fluctuated, and ultimately decreased, along the Coast since 2008 (see Figure 38). This is concerning for several reasons, including medical leakage to surrounding cities, such as New Orleans, Baton Rouge, and Mobile. Residents must travel farther to receive critical medical care. In addition, with few postsecondary education options, Coastal Mississippi might also lose talent to other parts of the state.

Healthcare and education are among the fastest-growing sectors of the national economy. By prioritizing these anchor institutions, Coastal Mississippi can invest in attracting high-skill jobs and professionals to the region. Many communities use healthcare and postsecondary education institutions as anchors for mixed-use developments that also generate demand for housing, retail, dining, and hospitality. Anchor institutions can also attract R&D funding to the region and innovative technology companies that want to be near medical and educational facilities. Investing in anchor institutions can bring long-term benefits to Coastal Mississippi for generations to come.

CASE STUDY: KC Animal Health Corridor
LOCATION: Kansas City, Missouri

Collaboration among anchor institutions in Kansas City, Missouri.



Building on the region's long agricultural heritage, the KC Animal Health Corridor is an initiative housed within the Kansas City Area Development Council (KCADC) with the goal of promoting the Greater Kansas City region as the premier location, nationally and globally, for companies in the animal health industry. It functions as the industry's unified marketing and advocacy organization, focusing on increasing national awareness of the region's animal science assets and opportunities. Further, the initiative seeks to improve communication and increase collaborative opportunities by connecting the region's animal science stakeholders. The organization also leverages the opportunities created by the National Bio and Agro-Defense Facility (NBAF), the Department of Homeland Security's research facility, and develops strategies to attract and retain a skilled workforce.

More than 300 animal health companies reside in the corridor, comprising the largest concentration in the world. Together, they represent 56 percent of total worldwide animal health, diagnostics, and pet food sales. In 2019, the US Department of Agriculture (USDA) announced Kansas City as the location for its two new major offices, bringing 568 employees to the area from Washington, DC.

Source: TIP Strategies research.

PROFILE DATA

FIGURE 34. TARGET SNAPSHOT

GULF COAST	TOTAL	TARGET
2018 Payrolled Business Locations	9,515	1,028
2018 Employment	193,020	21,784
Net Chg., 2008–2018	-8,803	+2,214
Pct. Chg., 2008–2018	-4.4%	+11.3%

FIGURE 36. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2008–2023	+9,424,267	+2,327,172
Pct. Chg., 2008–2023	+5.8%	+9.3%
GULF COAST	TOTAL	TARGET
Net Chg., 2008–2023	+3,400	+1,494
Pct. Chg., 2008–2023	+1.8%	+6.9%

FIGURE 37. TARGET COMPONENTS

ANNUAL EMPLOYMENT

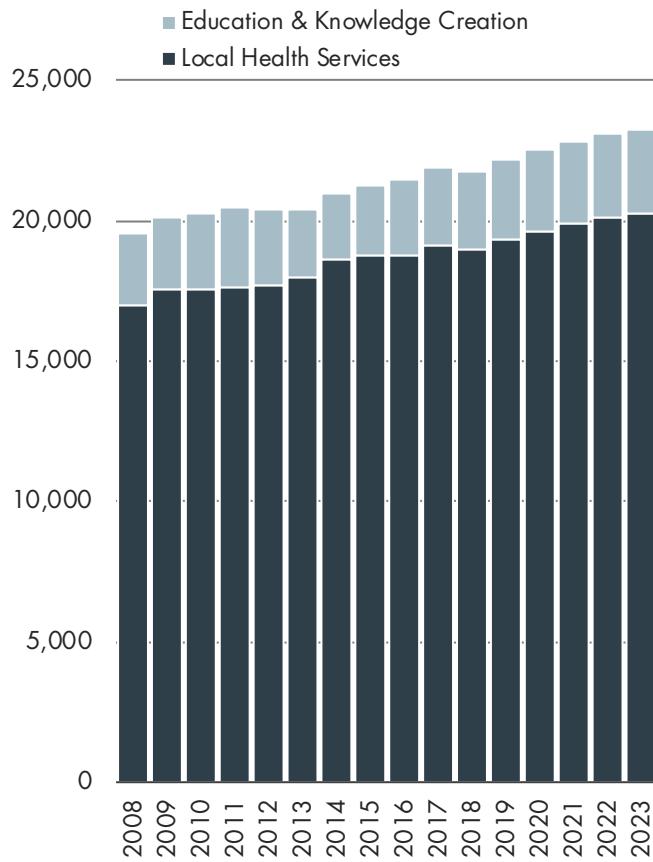


FIGURE 35. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

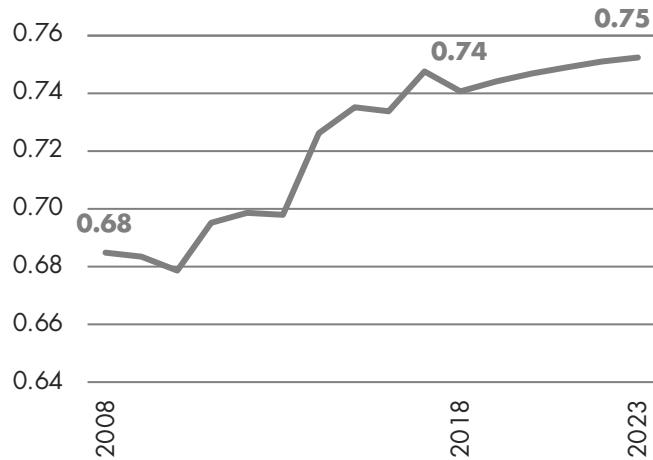
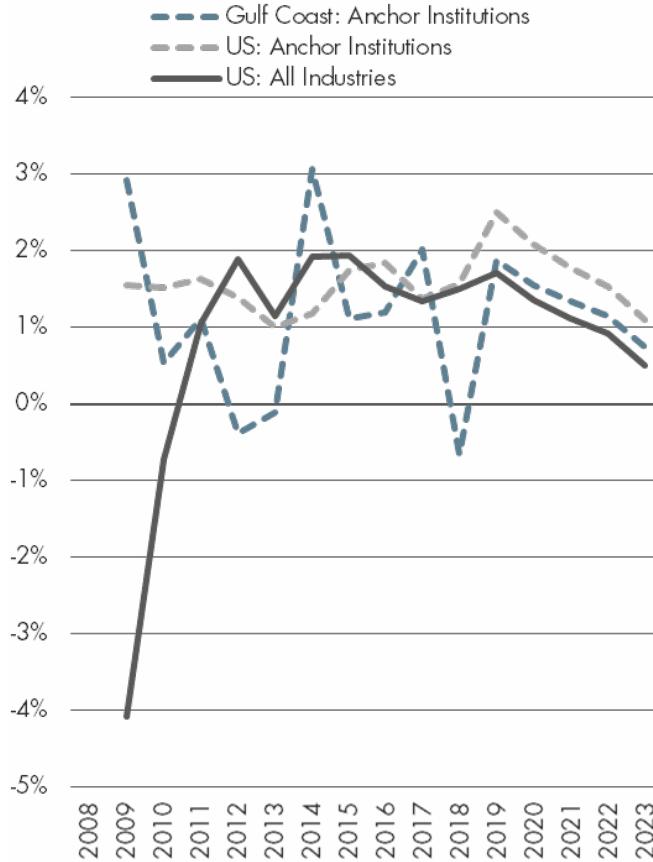


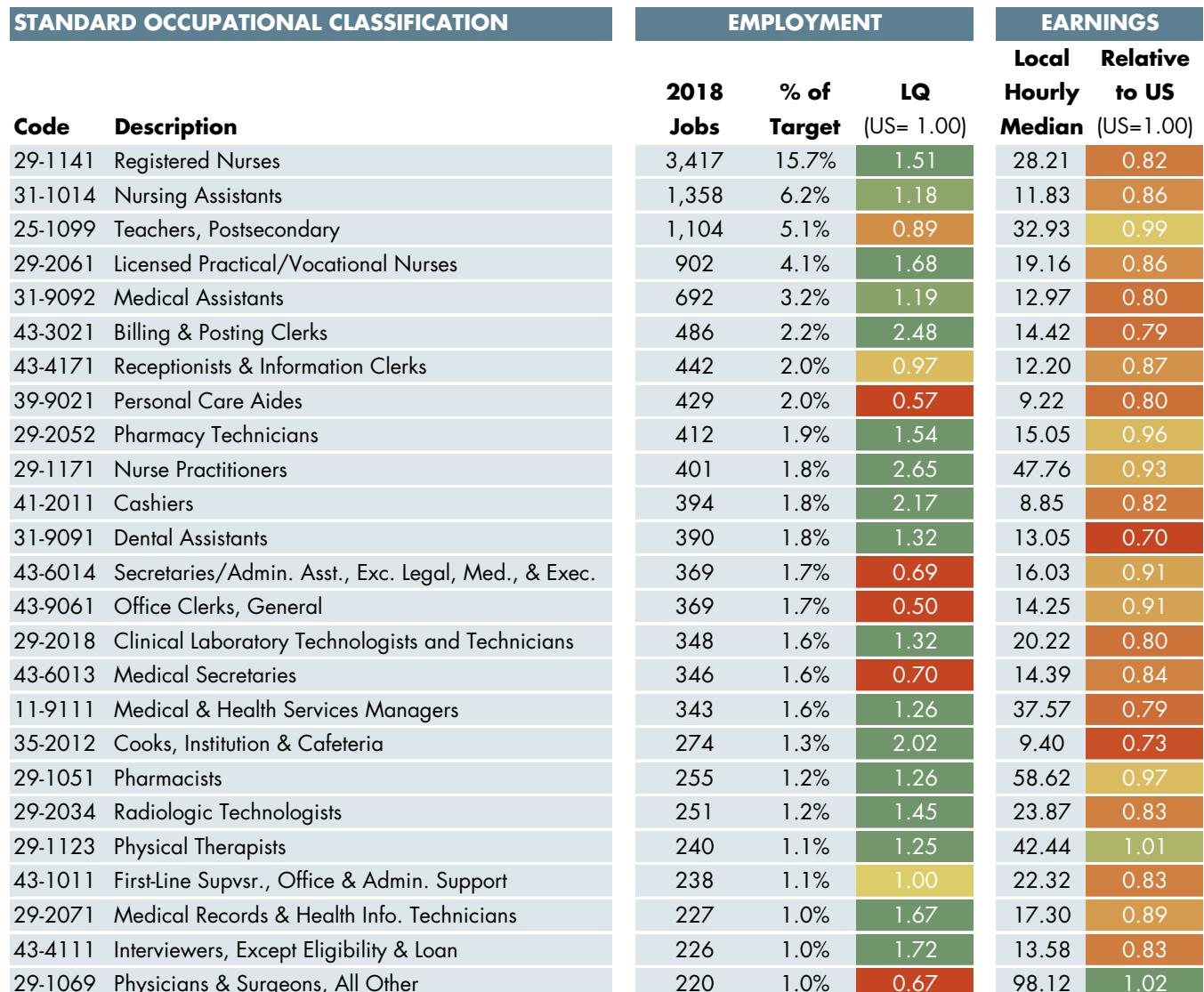
FIGURE 38. TARGET GROWTH

ANNUAL PERCENT CHANGE IN EMPLOYMENT



Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 39. TARGET STAFFING PROFILELQs & RELATIVE EARNINGS: **BELOW AVG**  **ABOVE AVG**

Sources: US Bureau of Labor Statistics; Emsi 2019.3—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

APPENDIX C. COMMUNITY INPUT

INTRODUCTION

As part of the strategic planning process, TIP Strategies gathered community input through two main methods. The first was Mentimeter, a live, interactive polling software. This tool was used during community engagement sessions in Hancock, Harrison, and Jackson Counties, and during the GCBC general member meeting. Mentimeter allowed the audience to provide and see real-time feedback. The second method of gathering input was an online survey, which was distributed to stakeholders also located in Hancock, Harrison, and Jackson Counties.

This appendix includes a summary of the stakeholder input survey. Detailed survey results have been made available separately through an interactive data tool, Tableau. Tableau enables users to explore the complex survey data through a variety of visualizations. The briefer results of the Mentimeter polls have been included in their entirety at the end of this section.

STAKEHOLDER INPUT SURVEY

The survey was open for a two-week period in the latter half of September 2019 and drew 320 respondents. The survey instrument included six core questions about resident characteristics, perceptions about the region's challenges, and visions for its future. All responses were confidential. Complete question-by-question survey results were delivered to the Gulf Coast Business Council and the Gulf Coast Community Foundation in an interactive data visualization using Tableau Reader. The key findings of this survey, summarized below, were used to guide the direction of the region's 15-year strategic plan.

DIVERSITY OF RESPONSES. Survey respondents were asked to provide their age range and their ZIP Code of residence. Geographically, the responses were clustered more heavily in the coastal urban ZIP Codes than in the inland areas—a pattern consistent with population distribution. Of adult respondents, the feedback was skewed slightly toward older residents, with 267 out of 320 respondents (about 83 percent) indicating a birth year before 1981. Though not designed to be a scientific sample, the pool of respondents was, nevertheless, a reasonably adequate representation of the region's population density and age distribution.

COMPETITIVENESS. Survey respondents were asked to assess Coastal Mississippi's competitiveness for attracting workers, jobs, and new investment. Overall, slightly more respondents rated the region as "uncompetitive" or "below average" than those who viewed it in a more positive light and rated it "highly competitive" or "above average." Differing views on competitiveness were particularly notable across generations. For example, more than half of all millennials (56 percent) participating in the survey viewed the region in an uncompetitive light. There were also geographic differences in perspective, with the respondents living in the region's easternmost ZIP Codes (closer to Alabama) seeing Coastal Mississippi as more competitive than residents in the central and western ZIP Codes perceived it.

FACTORS INFLUENCING SUCCESS. Survey participants were asked to rate the importance of 14 factors covering costs, quality, amenities, workforce and education characteristics, and governance. Across age cohorts and geographic locations, there was general agreement among respondents that quality of life and educational infrastructure were the most important issues influencing the region's long-term success.

THE NEXT 15 YEARS. The final two questions in the survey probed respondents on their vision for the future. Respondents were first asked to consider the importance of seven critical issues the region will face over the next 15

years. Average ratings on a scale of 1 to 5 (with 5 being the highest level of importance) ranged from 3.5 to 4.4. Attracting and educating a skilled workforce was deemed by residents to be the region's biggest issue of the next 15 years. This was followed by improving quality of place, improving perceptions of outsiders, and strengthening regional collaboration—all of which received average scores of 4.0 or higher.

In the next question, respondents were asked to prioritize regional economic development activities for the 15 years ahead. For better or worse, the theme that emerged might keep economic development professionals scrambling for years to come. Survey respondents rated *all* options as priorities, with little distinction between the highest-rated priority (Attracting new employers with an average score of 4.3) and the lowest-rated priority (Revitalizing targeted areas of the region with an average score of 4.0). Other priorities in the list ranged from traditional economic development activities—such as attracting tourists, marketing the region, and supporting existing employers—to more forward-looking options—like strengthening regional assets, including university campuses, and airport connectivity.

COUNTY WORKSHOPS MENTIMETER RESULTS

During the input phase of this project, community engagement sessions were held in the three most populous counties of Coastal Mississippi: Hancock, Harrison, and Jackson. Attendees were asked to respond using the live polling system Mentimeter. Due to the simplicity of the polling questions, and the limited number of responses received, the results have been included in their entirety in the following pages. In each of the workshops, the consultant team asked a series of warmup questions (responses not included in this appendix) and then proceeded to ask participants about the top strengths, weaknesses, opportunities, and threats (SWOT) facing the Coastal Mississippi economy. This input directly informed the SWOT analysis feature on page 27 and helped guide the recommendations in the strategic plan.

The following responses have not been edited for spelling or grammar. Punctuation has been added for readability of some responses.

HANCOCK COUNTY

The Hancock County workshop was held on 28 August 2019 and attended by 20 community members. A total of 15 attendees participated in the Mentimeter poll.

WHAT ARE THE TOP STRENGTHS OF THE MS GULF COAST? (N=12)

- Environment
- Affordable, accessible, Coastal
- A lot of people who want to see improvement.
- Culture
- Infrastructure
- Cost of living
- Culture; Human Capital; Industrial Assets; Geography; Cost of Living; Climate
- People, education, cost of living, beach, things to do, proximity to New Orleans, Stennis space center, NASA, aerospace industry, beautiful, seafood
- Top performing school districts
- Low cost of living
- Opportunities
- One of 8 states with a NASA site

WHAT ARE THE TOP WEAKNESSES OF THE MS GULF COAST? (N=12)

- Poor Education, public schools
- Bad leadership, uncooperative environment, disconnected governance
- Nothing. To. Do.
- Planning Leadership Housing
- Lack of good jobs for young people, misconceptions of outsiders
- Weather; Entertainment hubs near housing
- Leadership; Collaboration; Flood Zones; Duplication of Services; Lack of Opportunities for Educated and Skilled Workers
- Infrastructure, lack of leadership with elected officials, lack of skilled workers, concentration of industries, lack of diversity, MS Flag, elevation requirements, insurance, lack of vision, lack of capital for small business investment
- Low skilled workforce
- Infrastructure
- Infrastructure
- Skilled work force and promote as a region

WHAT ARE THE TOP OPPORTUNITIES FOR THE MS GULF COAST? (N=12)

- Environment
- Depressed local economy, closure of major local industries, loss of Federal Spending
- Blue economy
- Beach; NASA; I10
- Change the perception, showcase the infrastructure
- Education, some type of national draw to the coast, collaboration with neighboring states
- BP Funds; GOMESA
- Blue economy, NASA related industries, aerospace industries, Stennis Space Center, tourism, expand USM, grant finds from various sources, I-10, beach,
- BP funds; Aerospace corridor
- Potential future funding
- Creative thinkers/leaders
- Aerospace Industry

WHAT ARE THE BIGGEST THREATS FACING THE MS GULF COAST? (N=11)

- All BP money squandered. Parochialism.
- Beach water quality, brain drain
- Too many redundant investments and assets
- Aversion to change, hurricanes
- Dumping river water into the coast waters
- Lack of Diverse Economy; Government Dependency; MS River Bonnet Carre Spillway; Flood Maps; Waste Funding Opportunities; Special Interests
- Lack of diversity, concentration of industries like NASA and defense, hurricanes, flood plain, elevation requirements, territorial, lack of vision,
- New President, recession
- Increase in Flood Insurance,
- Territorialism
- Slow to react

HARRISON COUNTY

The Harrison County workshop was held on 28 August 2019 and attended by 50 community members. A total of 43 attendees participated in the Mentimeter poll.

WHAT ARE THE TOP STRENGTHS OF THE MS GULF COAST? (N=38)

- Proximity to coast.
- Location Cost of Living military
- Affordability, warm winters, ocean access, diversity, access to higher education, federal spending, defense presence
- Tourism, location, blue economy
- Climate; Resilience; Affordable
- Geography, Coastline, Proximity to larger markets, Stennis Zone,
- Blue economy focus
- Quality of Life; Affordability
- Affordability
- Location
- Geography, military, aim for diverse economy
- Gulf of Mexico; proximity to New Orleans; people/culture; casinos, seafood
- Affordability. Culture. Quality of life.
- Affordability, Proximity to New Orleans, Coastal Living
- Gulf of Mexico, geographic location, affordability
- Affordable: BP funds
- Transportation corridors
- Quality of life, natural landscape
- Good values and cost of living, abundance of land, climate
- Beauty / people / natural resources
- Space; Hospitality; People
- Affordability
- Temperate weather, friendliness, low cost of living, natural resources
- Business etiquette, community, outdoor activities, regional location, affordability, beauty
- People. Affordable; Location
- Population dense city centers, perceived biases, FLAG
- The people/work ethic
- Scenic, hospitality, climate, plenty of available land, interstate, casinos, government
- Resilience, climate, potential
- Gaming, Affordability, Location
- Broad based economy
- Beach,
- Federal fascititis, location, natural resources, affordable
- Natural beauty, people, cost of living
- Quality of Life; Affordability; Tourism
- Water, people
- Hospitality, location, affordability
- Waterfront

WHAT ARE THE TOP WEAKNESSES OF THE MS GULF COAST? (N=39)

- Highly low skilled workforce
- Low wages, image of MS, natural disasters
- Flag, backwards perception, lack of tech jobs
- Perception, The Flag, weather
- Perception; Natural disasters; Image / rankings
- Economic Mobility, Political Malaise, State Flag,
- Collaboration, innovative leadership, flag
- Communities not working together
- Negative People and perception; LACK OF COHESIVE VISION
- Lack of high paying jobs
- Industry leaders need to retire.
- Not enough economic diversity, low educational level, perception of MS
- Lack of diversity in thought leadership
- External Perception. Job opportunities.
- Bad local leadership, lack of vision, lack of catalysts, state perception
- State Flag (image), Job Opportunity, Hurricanes
- Good old boys / state flag / working poor/ too slow to change
- Amenities; Negative Perception
- Negative national perception, National awareness, heavy reliance on government employment
- 4 year university; Technology companies/jobs
- Economic development
- Talent pool; Consensus; Perception
- Resistant to Change; Closed minded; Lack of innovation; Wages
- lack of cooperation, flag
- Aesthetics, perception of prejudice, low education level
- Housing, lack of education, wages, lack of education; No interest in region government to work together to better the entire coast
- Lack of an educated workforce; Hurricanes; Care for Mental Health
- Image/project ready industrial sites
- Perception, talent leaves, lack of talent coming in, wages, air service, Gulf water brown, recent toxic water, rankings in country
- Lack of placemaking, poor quality of affordable housing, relevant job availability
- Employee pool, Perception of the state, Lack of coordinated efforts between city's
- Quality of place
- Poor education
- Politics, lack of confidence, vision
- Major roadways aren't kept up and dirty. Ugly buildings
- Weather threats; Workforce; Education
- Nothing to do, wrong visitors to the area, low-end, redneck events
- Downtown housing, Lack of high paying jobs, higher educated workforce
- Higher education, broadband,

WHAT ARE THE TOP OPPORTUNITIES FOR THE MS GULF COAST? (N=36)

- Stronger education system and embracing diversity
- Great place to raise a family
- Visitors Economy mixed with Blue Economy and create a new economic driver
- Talent growth; Workforce; Blue economy
- Gulf of Mexico, Technology Corridor, low bar waiting for vision and leadership
- Transformational monies, people, nature
- Exploration of the gulf
- Promoting existing quality of life; Blue economy; Retention of Ingalls and Stennis employees to live in MS
- Culture and people
- Walmart, Amazon, Nike Distribution Center; Expanding Medicaid
- Expanding higher level educational opportunities(4 year university); Blue Economy; Teaching tech skills
- 4-year college; higher education/specialty degrees ie data analytics
- Regional health care. Blue economy. Leveraging Stennis/high tech base.
- Greater occupational diversity, attracting millennials, regional governmental consolidation and efficiencies, regional economic development
- Maritime economy, education partnerships, workforce training
- Enhanced amenities/industrial growth along I 10 corridor
- Technology Partnerships (Ingalls, Chevron, Stennis, and their subcontractors), rich history/culture, strong existing tourism base
- Tourism, increase air flights to new destinations, low cost air service, economic development
- Enhance quality of life to attract /, retain talent
- Attract Talent; Air service; Downtown life - residential, entertainment.
- BP Funds, Education, Growth, Land availability
- Emphasize improvements to downtowns, more housing downtown, focus on aesthetics,
- Blue economy; Space/defense niche
- Blue Economy
- Intelligent investment in the future
- Vision/Partnerships
- Tourism, Ports, Rebranding
- Airport, Entertainment, Placemaking
- Capacity for growth at airport and port, change national image, technology
- Grow defense based industry
- Small towns, walkable neighborhoods, beach
- The limitless
- Beautification, develop multi use buildings in downtown areas, Bike/walking paths
- Downtown residential; Blue economy; Tourism/MS Aquarium/Centennial Plaza
- Land availability, Education, People
- Medical City at Tradition

WHAT ARE THE BIGGEST THREATS FACING THE MS GULF COAST? (N=34)

- Lack of commitment to excellence
- National disasters, workforce talent leaving, low wages
- Not changing the Flag, leadership not being able to work together, not embracing a common vision
- Bonnie Carrie skillway, lack of communities working together

- Close mindedness; Natural disasters; Demographics
- Politics as usual, Flag, Good Ol Boy Network/System, Current Zoning Ordinances,
- Lack of vision, lack of growth, slow to change
- Storms/Weather; 2020 election
- Hurricanes and other natural disasters
- Leaders becoming COMPLACENT.
- Operating without regional focus in local government; Climate change; Brain drain
- Hurricanes
- Weather. Military cuts. Workforce flight.
- Unhelpful state policy, continued divide between city and county leadership, sea level rise and climate change, continued depressed local economy
- Louisiana, National conversation on race & image, hurricanes
- Population decline
- Natural disasters, military base closures, United/aligned government (local, county, state)
- Trained work force, having disjointed economic dev plans for 4 counties in lieu of one plan
- Hurricanes / soft economy /
- Overall health of national economy; natural disasters and perceived threat; Lack of action on opportunities
- Threat to natural resources, Job stability, Perception, Aging Population
- Competitor areas that are being more progressive, ongoing prejudicial thinking
- Fresh water diversion; Hurricanes; Dead Zone Threat
- Poor leadership from community and elected leaders, leading to bad decisions
- Storm, Mississippi River, recession, casino in Mobile or Florida panhandle, increase in cost of living.
- Fresh water intrusion, natural disaster, lack of vision
- Health of Gulf of Mexico, Weather, Military & Government closures, Lack of planning for a sustainable economy after federal money is gone
- Failure to protect existing economic base as we seek new opportunities
- Mississippi River destroying ms sound
- Hurricanes,
- Status quo, natural disasters,
- Natural disasters; Economic downturn; Older population/casino customer base
- Toxic Gulf waters, Election 2020, Failure to Plan
- Bonnet Carre spillway

JACKSON COUNTY

The Jackson County workshop was held on 30 August 2019 and attended by 35 community members. A total of 30 attendees participated in the Mentimeter poll.

WHAT ARE THE TOP STRENGTHS OF THE MS GULF COAST? (N=30)

- Manufacturing, accessibility, coastal recreation
- water, land, transportation access, industry, affordability, accessibility
- Diversity of economy
- Coastal living, affordability, accessibility
- Industry and Tourism
- Cost of living; Coastal climate; Tourism; Culture / sense of place

- Tourism and defense and space
- people; Environmental beauty; Industry
- Industrial jobs
- Quality of family life... water recreation activities, shopping, sports venue, restaurants, arts community, educational at all levels
- Jackson counties ec Dev leadership
- People, community engagement
- Jobs in heavy industry; Robust training available through local community college; Cost of living
- Quality of life, cost of living
- Hospitality
- Waterfront residential potential
- Friendly, supportive area to live and work
- Coastal living, high education level, diverse people, weather
- Work ready people. Low cost of living. Recreation
- Cost of living, industrial job opportunities, good public schools
- Business friendly
- Industry, tourism, cost of living, natural resources, work force
- Blueways, industry and diversification, recreational opportunities, proximity to major metro areas like New Orleans and Mobile, AL
- Deep water ports; Industrial investment; Community support for industry; Ease of regional transportation; Tourism
- Recreation, labor force,
- Deep water port
- Diversification of jobs and qualities of life in a Natures Playground natural environment
- Post-secondary career educational support; Strong job-providing industries.
- How linear our metro region is; Bay St Louis is a great distance from Pascagoula
- Housing—have an abundance of lower price housing, need more middle and higher income housing

WHAT ARE THE TOP WEAKNESSES OF THE MS GULF COAST? (N=27)

- Housing, cleanliness, retail, high insurance
- Opinions, not data driven, education attainment, talent,
- Complicity
- Economic Development Leadership, Vision for the Future, unwillingness to accept reality.
- Community amenities, planned residential/commercial mixed developments
- Health / chronic conditions; Economic opportunity; Infrastructure
- Residential housing stock, national perceptions/brand, education
- We need to better develop place. People need to feel a like they belong to something.
- Unification of city, county, and state government leadership... one common vision and execution
- Environmental / regulatory limitations
- Commercial and residential growth, insurance cost
- Lack of retail/entertainment; Too many vacate/abandoned buildings
- Local government agencies don't always work well together
- Brain drain of our best and brightest.
- Don't always work together to make the entire Coast better
- Narrow view, lives in silos, lack of diversity in the type of jobs, political engagement

- Not enough management opportunity. Insurance rates re: elevation
- Poor External perceptions
- Insurance cost, development challenges due to wetlands, social quality of life options, education options
- Misguided outside perceptions about our region (backwards, etc.)
- Exposure to climate change risk, conflicting segmentation of improvements, recruiting and retaining younger population
- High insurance rates, elevation requirements
- Quality of place
- Major hurricane alley and high elevation building requirements; Gautier has 80% of its property Not in a flood zone; Other cities are the opposite
- Weak retail base. Inconsistent quality housing availability.
- Quality of place
- Inability to remain unified. Over development of perceived localized regional importance versus a unified cooperative effort for the entire region.

WHAT ARE THE TOP OPPORTUNITIES FOR THE MS GULF COAST? (N=24)

- Collaboration, housing, telling the story of the Coast, technology, improving insurance rates, blue economy
- Listening, leading, telling our story the proper way
- Correct incorrect image of state
- Blue Economy, Being Data-Driven, Attracting New Talent and New Leaders
- Increased educational presence (universities) that attract innovative companies for research & development.
- Retirement living; Outdoors tourism; Aquaculture; Fine arts development
- Residential housing redevelopment; Small commercial development
- Common vision... unified strategy... intentional execution
- Downtown growth and revitalization
- Need heavier marketing of the gulf coast
- Take broader advantage of our biggest asset, the Gulf of Mexico
- Quality living, educational attainment, recreational activities, weather, more open to progress than rest of state
- Development for affordable residential and retail. Entry level, high paying jobs in industry and hospitality. Great place to Retire - senior friendly and over 55 communities.
- Significant financial resources to improve on weaknesses.
- Blue economy professional advancement track
- Enhance social quality of life, maximize natural resources, share the story of the MS Gulf Coast, recruitment of young professionals, create incentives to recruit social quality of life developers.
- Solutions to Base Flood Elevation issues, and wetlands restrictions
- Improving quality of life on a community by community basis. A wholistic approach is good but there also needs to be a focused approach on the needs of each town
- Eco tourism
- Expansion of existing industry, blue economy, downtown revitalization
- Student housing in Gautier for college and workforce ready recruitment nation wide This will be a natural spark for economic development
- Improve the quality of life so that the people who work here live here
- Branding the MS Gulf Coast, changing the perception of Mississippi in America.
- Tourism

WHAT ARE THE BIGGEST THREATS FACING THE MS GULF COAST? (N=25)

- natural disasters, insurance rates, etc.
- Opinions, politicians, natural disasters
- Complacency....believe that things just happen
- Jackson County does not have a sustainable model - our industries are vulnerable to automation, consumer changes, etc. And we have little occupational diversity to guard against big economic changes.
- Nature and lack of political clout and cohesiveness
- Silo thinking; Storms; Environmental management/ regulation across gulf region
- Doing the same thing we've always done
- Not working together
- Manmade disasters... oil spill, spillway and other environmental threats that negatively impact tourism and fishing industries
- Not leveraging momentum and engagement with a specific plan that addresses the identified weaknesses and opportunities
- Fear of living on the gulf coast because of hurricanes; Political climate
- Bonnet Carrie spillway oversight
- We've got to begin to really believe the Coast can be something different and better than it's always been
- Hurricanes, lack of diversity in types of jobs, complacency, silo thinking
- Mother nature is not kind to us. Tough to get permitting and grow the place.
- Local governments lack of desire to implement policy and vision to create quality of place. Repeating same mistakes of past.
- Insurance cost, environmental threats around wetlands, complacency, lack of action
- Hurricanes, continued political divisions amongst cities and counties, further hurdles imposed by FEMA or Army Corps of Engineers for developing new properties.
- Climate change, Exposure to government funding and subsidies, aging population, reputation
- Environmental issues
- Hurricane, reduction in Federal Defense spending
- Children grow up and leave; Chasing their career
- Political/social pressure versus science and free market influence on fossil fuel industry
- That we continue to grow the number of people who work here but won't live here With the exception of Ocean Springs
- Failure to speak with unified voice in recognition of the external view that the Coast is one entity as opposed to the internal view that it is composed of many disparate entities

GCBC GENERAL MEMBER MEETING MENTIMETER RESULTS

The GCBC general member meeting was held on 24 October 2019 and attended by more than 60 GCBC members. A total of 53 attendees participated in the Mentimeter poll.

WHAT ARE YOU MOST EXCITED ABOUT LEARNING TODAY? (N=53)

- How we're going to move the Coast forward into success!
- Opportunities
- Economic sustainability
- Opportunities
- How do we create a regional mentality without a regional government?
- How our community can grow more efficiently
- Results, opportunities, how to move forward
- Potential of region
- What you've discovered as key themes from your interviews already.
- Regional alignment plan
- Community growth
- Collaborations and partnerships
- Do we have community commitment?
- Where our biggest weakness lie in regards to regional competition.
- How to keep young talent here!
- We are teaming together coastwide
- Economy
- Potential and opportunities for economic development
- Networking
- Coordinated Growth
- Focus areas
- Data; Projected trends; Economic viability
- Future plan for Coast
- Economic sustainability
- Results
- How can we grow without losing what makes us special.
- Good jobs; Innovation; Great place to live
- Workforce
- Best bang for buck on BP funds
- Economic Growth
- How to improve economic diversification on the coast.
- What we need to do to be more regionally competitive.
- What's the next level up (& categories for improvement) for us to strive toward?
- Long term vision
- How we grow our region
- Insights on key findings / preview of final conclusions
- How the Coast can work together to best maximize economic development opportunities.
- What are some of the alternatives for the strategic plan?
- Your recommendations for growth and community development versus our thoughts and experience.

- Looking forward to hear how this region will work with Louisiana going forward regarding the bonnet carre spillway.
- U.S. Navy :)
- Economic stability; Brain drain
- New things for coast growth
- What real transformation looks like
- Diversity if economy
- How we can grow without losing what makes us special
- Opportunities for growth. What are we not doing well and how can we fix it?
- What can we do to make our area a better place to live
- Beat way to market the entire gulf coast
- Opportunities
- What did local and global developers tell you are the key strategic needs.
- How we are going to synergize our efforts to work as one Coast for the creation of jobs and retail and to improve quality of life.
- Comparisons to similar MSAs
- Potential of the region
- Opportunity
- Quality industrial sites that can attract high tech industries.
- Statewide workforce development plan.
- Economic growth in sporting events
- Qualified sites and state workforce plan.
- Better use of Diberville's economic development corridor auto/shopping/dining/entertainment
- Aquarium and marine research entities
- Economic development

WHAT FOUNDATIONAL OPPORTUNITY FOR THE GULF COAST REGION MOST EXCITES YOU?

(N=47)

- Growing infrastructure
- 5g
- Quality of place
- High speed Internet region wide
- Mixed use development/population density
- Smart infrastructure and development
- Innovation and collaboration
- 5G / Broadband
- Downtown gulfport
- Smart city
- Regional Collaboration.
- Creating resilient infrastructure and welcoming entry corridors along the coast.
- 5G and mixed use
- 5g
- Port development and blue economy with Government, Educational and Private Development
- Downtown revitalization
- Bre ideas

- Additional industry sector
- Hi-speed internet to downtown areas along the coast
- The opportunity for a really fun and exciting place to live
- Innovation in government to allow these foundational opportunities.
- 5G/broadband
- Infrastructure improvement
- Retaining our millennials
- Infrastructure upgrade
- Talent development plan
- Downtown Biloxi
- Regional collaboration
- Workforce ready; Mini college town Gautier's
- Broadband and collaboration within region
- Community
- Regional collaboration
- Remote workers, placemaking, smart city
- Smart Districts; Mixed Use
- Mixed use districts
- Community Development and tech upgrades.
- De facto Innovation/Acceleration Center. Target Emerging Tech Industry's
- Public policy
- Downtown urban housing and development
- Entertainment and leisure sector expansion
- New ideas without restrictions
- Potential new industries
- Broadband
- Formal regional collaborative entity
- Not business parks but integrated business in existing downtown areas.
- To be seen as a competitor for keeping business in state instead of outsourcing to other large cities and states
- Connectivity to the port
- It's frontage on the Gulf of Mexico and it's reputation as a resort location. We need to capitalize on this.
- Better east-west traffic flow in ocean springs and other areas
- B
- Space
- Commercial Space Companies
- Diversity of economy
- Airport capability to attract industry
- Regional talent attraction plan
- Stennis
- Port
- Efficient mass transit
- USM Center of Excellence - Oceanographic R&D
- REGIONAL COOPERATION & COLLABORATION
- smart infrastructure that attracts and retains workers
- expansion at Stennis with high tech

- Downtown development
- Innovation hub with free rent in downtown Gulfport
- Invitational opportunities
- Regional Building Code Team to assist developers to think out of the box
- New Aerospace Aviation Workforce Academy in Hancock County
- Free wi fi
- University and college development
- Creation of iconic events
- Transform Hwy 90 with the addition of infrastructure making it more welcoming and safe for everyone to enjoy.
- Building Code and Zoning regionally proactive for development.

WHAT TRADITIONAL ECON. DEV. OPPORTUNITY IN THE GULF COAST REGION MOST EXCITES YOU? (N=33)

- Current business expansion
- Mixed use development
- Provide transportation options.
- Securing more industrial sites
- Ingalls
- Professional service/higher paying jobs
- Commercial Space Companies
- Military expansion
- Development of high tech. NASA related
- Aerospace
- Develop deeper partnership with all Chambers to implement coast wide BRE.
- New Opportunities
- Regional Collaboration
- Being proactive and not reactive in our recruitment efforts
- Tourism
- Public/private partnership
- Integrate new business in downtowns, not suburbs.
- Need investors
- Higher paying jobs
- Talent retention and recruitment
- Build and bring more ships
- The track record of attracting a strong workforce.
- Regional Economic Development Framework
- Professional service/higher paying jobs
- Retention and attracting hi-tech industries
- Repositioning the State of Mississippi to combat negative perceptions, generating interest from new industries
- Attract local talent based on skill sets needed to fill highly recruited industries and businesses
- Better leveraging natural resources and cities to create places that attract the talent we need to grow the region
- Need investors
- Airport
- Keeping business in state instead of outsourcing outside the state. Incentives, smart city, etc to attract more business opportunities and talent

- Strong defense industry; Innovation; Research and dev
- Small business funding opportunities (business accelerators)
- Efficient mass transit
- USM Center of Excellence; Oceanographic R&D
- Regional collaboration
- Efficient mass transit
- Remote Gulf Coast
- National Research Laboratory clustered with Blue Economy Center of Excellence
- Remote Gulf Coast
- High tech districts
- Smart cities
- Downtown Biloxi mixed-use development as fertile soil to attract millennials and a tech industry
- Millennials living area development
- Regional approach is key driver
- Smart, resilient, cities along coast that could serve as models for other regions. Also, innovation districts to support existing industries.

WHAT TRANSFORMATIONAL OPPORTUNITY FOR THE GULF COAST REGION MOST EXCITES YOU?
(N=38)

- Smart cities and innovation districts
- J
- Center of Excellence
- New aquarium
- 5g developments
- Spaceport and SpaceForce
- Setting high standards for building performance: Reaching net zero in all new development.
- Hub of innovation for community resilience
- Maritime center of excellent
- University research and development
- Center of Excellence for more collaborative research and workforce opportunities
- Pre-Packaged development opportunities in downtown areas to attract developers. (IE Midtown in Hattiesburg)
- 5G/Broadband
- Incentives for current business and potential new business to expand here
- Four year university
- More family attractions
- Coastal research programs
- Regional Government or shared service
- Implementing innovation district with centers of excellence
- Smart Districts; Student Centered Areas; Medical Districts with quality healthcare and research
- Partnerships with other federal agencies
- National Research Lab clustered with Blue Economy Center of Excellence
- Regional government
- Bring More Visitors Through Tourism By Enhancing the Destination
- Transportation - such as local rail service
- Transformational and traditional- address our beaches, clear up the sound!

GULF COAST BUSINESS COUNCIL AND GULF COAST COMMUNITY FOUNDATION

- Having a school clinic in Junior High and High Schools. The nurse could administer the prescriptions.
- Center of excellence for marine research
- Aquarium
- Quality of Life/Place Enhancements; (Aquarium, Natatorium, Space Camp, Seafood Industry Aquaculture development)
- Create innovation funding
- Innovative collaboration between schools and businesses to create online and on campus opportunities
- Economic Growth in Sporting Events
- Efficient mass transit
- Major improvements to water quality
- Condo district on deer island
- Collaboration in the region to identify and produce transformational projects.
- One MSA. One Chamber. Centralized Eco Devo
- Maritime center
- Legislation that allows Public-Private partnerships
- New Aerospace Aviation Workforce Academy in Hancock County
- Remove the islands
- Regional plan association charged with zoning, signage, standards
- Expand to have a 4 year college degree
- USM Center of Excellence
- Southwest Airlines
- Downtown tech hub within a live work development.
- Transform Hwy 90 to be more welcoming and safe for everyone to enjoy. Addition of infrastructure and amenities. This can be our North Star.
- USM comprehensive research and dev interntionally recognized
- Accelerator for technology innovation and commercialization
- Regional branding for the coast as a whole, such as Nashville (Music City)
- Comprehensive strategy for blue tech innovation
- Drew Brees